



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

DEC 4 2007

4APT-PTSB

**FEDERAL EXPRESS**

Mr. Jerry Collins  
President & Chief Executive Officer  
Memphis Light, Gas & Water Division  
220 S. Main Street  
Memphis, TN 38101-0430

SUBJECT: Notice of Violation of the Toxic Substances Control Act  
TSCA-04-2008-2511

Dear Mr. Collins:

The purpose of this letter is to advise you that the United States Environmental Protection Agency (EPA) has determined that the Memphis Light, Gas and Water Division (MLGW) has violated Section 15 of the Toxic Substances Control Act (TSCA), 15 U.S.C. §2614, and the Polychlorinated Biphenyl (PCB) regulations promulgated in 40 C.F.R. Part 761, as explained more fully below and in the enclosed summary of alleged violations (Enclosure A).

On October 26 and November 8, 2005, representatives of the Tennessee Department of Environment & Conservation (TDEC) conducted inspections of MLGW's facility located at 703 Beale Street, Memphis, TN 38013, to determine compliance with the TSCA. On March 6, 2006, TDEC conducted follow-up PCB compliance inspections at MLGW Substation 1 (1642 Parson Street, Memphis), Substation 3 (542 South Third Street, Memphis), and Substation 4 (67 Jackson Street, Memphis). The inspections were conducted on EPA's behalf pursuant to a cooperative agreement with EPA.

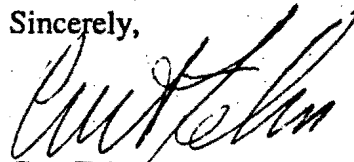
Information obtained during the inspections indicates that MLGW violated TSCA and the PCB regulations. Violations of Section 15 of TSCA are subject to an enforcement action pursuant to Section 16 of TSCA, 15 U.S.C. §2615, which provides for the initiation of civil and/or criminal actions. Any person who violates Section 15 of TSCA may be assessed a penalty of up to \$27,500 for each such violation, in accordance with Section 16(a) of TSCA. For a violation occurring after March 15, 2004, a penalty of up to \$32,500 may be assessed pursuant to 40 C.F.R. Part 19. Each day a violation continues may constitute a separate violation.



Prior to initiating enforcement action, EPA is offering MLGW the opportunity to meet with EPA to provide any facts, information or evidence that MLGW believes will shed light on the alleged violations. Additionally, if the parties agree, the meeting may also serve as an opportunity to discuss settlement of this matter.

If MLGW wishes to meet with EPA, we request that you contact Raj Aiyar of the EPA Region 4 staff at (404) 562-8993 within ten (10) days of receipt of this letter. Should MLGW wish to meet with EPA, EPA suggests that MLGW bring documents to the meeting that will provide background and further information on the activities addressed in the attached summary of violations. Failure to respond within ten (10) days of receipt of this letter will be taken as an indication that MLGW does not wish to meet with EPA or to enter into settlement negotiations at this time.

Sincerely,



Curt Fehn

Acting Chief

PCB and Chemical Products  
Management Section

Enclosures: Summary of Violations

cc: Ms. Monica Darby, Environmental Affairs, MLG&W  
Ms. Adrienne White, TDEC



## ENCLOSURE A

### Summary of Violations

Based on the results of inspections conducted by TDEC at MLGW's central facility on October 26, 2005, and November 8, 2005, and at MLGW Substations 1, 3, and 4 on March 6, 2008, and on a review of documents provided by MLGW to TDEC, EPA has determined that MLGW has violated the Toxic Substances Control Act (TSCA), 15 U.S.C. §2614, and the PCB regulations promulgated at 40 C.F.R. Part 761, as described herein.

#### **I. Violations of PCB Disposal Regulations at Beale Street Facility**

MLGW operates a central maintenance and repair facility where electrical equipment is serviced, repaired and/or taken out of service for eventual disposal. Over the past 20 years, MLGW has generated large quantities of PCB liquids by draining oil from electrical equipment including, but not limited to, PCB transformers (containing  $\geq 500$  ppm PCBs), PCB-contaminated transformers (containing  $\geq 50$  ppm PCBs but  $< 500$  ppm PCBs), and non-PCB transformers (containing  $< 50$  ppm PCBs). Until approximately 2006, MLGW mixed together in one 500-gallon common tank the oil drained from transformers containing greater than 50 ppm PCBs with oil drained from transformers containing less than 50 ppm PCBs, without taking into consideration the PCB concentration of the oil from each piece of equipment. Although MLGW routinely analyzed the PCB concentrations of the oil in transformers that were taken to the central shop for service or disposal, MLGW drained the oil from those transformers into the common tank prior to receiving analytical laboratory results. MLGW used the analytical results only for the purposes of determining which transformer carcasses needed to be disposal of as PCB transformers.

The blended, commingled, and diluted oil from the common tank was further processed by filtration, heat and centrifugation to remove water, and the oil was pumped outside the central shop into two 6000-gallon storage tanks. MLGW sold the oil in the two 6,000-gallon tanks to facilities that burned the oil for energy recovery purposes (i.e. Yaffee Iron in Muskogee, Oklahoma), but were not licensed or equipped to dispose of PCB oils. Under TSCA regulations, the diluted oil was deemed to contain PCBs  $\geq 50$  ppm and was required to be disposed in an approved incinerator or high efficiency boiler.

By mixing oil containing PCBs at concentrations exceeding 50 ppm into a tank with oil containing PCBs at concentrations less than 50 ppm, and by failing to properly dispose of the oil, MLGW violated the following regulations on numerous occasions:



40 C.F.R. § 761.1(b)(5): No person may avoid any provision specifying a PCB concentration by diluting the PCBs, unless otherwise specifically provided. MLGW routinely violated this provision and avoided PCB disposal requirements by diluting PCBs. EPA estimates that during the years 2003-2005, MLGW illegally diluted approximately 7,645 gallons of oil containing PCBs  $\geq 50$  ppm into the 500-gallon common tank with oil containing PCBs  $< 50$  ppm.

40 C.F.R. § 761.3 Definitions: "Excluded PCB Product" means PCB materials which appear at concentration less than 50 ppm, including but not limited to: used oils, provided the resulting PCB concentration (i.e. below 50 ppm) is not a result of dilution. EPA estimates that during the years 2003-2005, MLGW illegally diluted approximately 7,645 gallons of oil containing PCBs  $\geq 50$  ppm into the 500-gallon common tank with oil containing PCBs  $< 50$  ppm.

40 C.F.R. § 761.50(b)(1): provides that any person removing PCB liquids from use must dispose of them in accordance with 40 C.F.R. § 761.60 (a). 40 C.F.R. § 761.60(a) requires that PCB liquids at concentrations greater than or equal to 50 ppm must be disposed of in an incinerator which complies with 40 C.F.R. § 761.70, except that mineral oil dielectric fluids with PCB concentrations  $\geq 50$  ppm and  $< 500$  ppm may be disposed in a high efficiency boiler pursuant to 40 C.F.R. § 761.71(a). MLGW routinely violated this requirement by selling used oil deemed by law to contain PCBs greater than 50 ppm to a facility that burned the oil for energy recovery, rather than sending the oil to a disposal facility under 40 C.F.R. §§ 761.70 or 761.71. EPA estimates that during 2003-2005, MLGW illegally sold approximately 190,013 gallons of oil deemed to contain greater than 50 ppm to Yaffee for energy recovery instead of properly disposing of them in a high efficiency boiler or a TSCA incinerator.

40 C.F.R. § 761.20(e)(2)(ii): provides that if any PCBs at a concentration of 50 ppm or greater have been added to the container, then the total container contents must be considered as having a PCB concentration of 50 ppm or greater for purposes of complying with the disposal requirements found at 40 C.F.R. § 761.60. MLGW routinely violated this provision by failing to properly dispose of at least 190,013 gallons of used oil from 2003-2005 that should have been considered as having a PCB concentration of 50 ppm or greater.

40 C.F.R. § 761.60(g)(1)(i): provides that dielectric fluid removed from mineral oil electrical equipment may be collected in a common container, however, the common container option does not permit dilution of the collected oil. Mineral oil that is assumed or known to contain at least 50 ppm PCBs must not be mixed with mineral oil that is known or assumed to contain less than 50 ppm PCBs to reduce the concentration of PCBs in the common container. If such mixing and dilution occurs, the entire contents of the common container must be treated as if it contains PCBs  $\geq 50$  ppm and disposed accordingly.



MLGW routinely violated this provision from 2003-2005 by blending and mixing at least 7,645 gallons of used oil with PCB concentrations  $\geq 50$  ppm into the 500-gallon common container that also held used oil with PCB concentrations  $< 50$  ppm, and by failing to treat the entire contents as containing PCBs  $\geq 50$  ppm.

40 C.F.R. § 761.60(g)(1)(ii): provides that if any PCBs at a concentration greater than 500 ppm have been added to a common container, then the entire container contents must be considered as having a PCB concentration of 500 ppm or greater and must be disposed by incineration in a PCB incinerator pursuant to 40 C.F.R. § 761.70. MLGW violated this provision between 2003-2005 by mixing at least 742 gallons of PCBs at a concentration greater than 500 ppm into the 500-gallon common container and into the 6,000-gallon tanks, and then failing to dispose of at least 190,013 gallons of illegally diluted oil at a TSCA incinerator pursuant to 40 C.F.R. § 761.70.

## **II. PCB Processing and Distribution Violations at Beale Street Facility**

Sections 6(e)(3)(A) and (B) of TSCA, 15 U.S.C. §§ 2605(e)(3)(A) and (B) and 40 C.F.R. § 761.20(c): prohibit persons from operating as used oil marketers and processing and distributing PCB oils without an exemption. MLGW routinely violated these provisions by selling 190,013 gallons of PCB oil from 2003-2005, without an exemption, to a facility that burned the oil for energy recovery.

## **III. PCB Storage, Marking, Labeling and Record Keeping Violations at Beale St. Facility**

40 C.F.R. § 761.65(c)(8): this provision required MLGW to maintain proper records such as log books or other records, for each batch of PCB oils added to its 500-gallon common tank and 6000-gallon storage tanks, and the date the batch was added to the tanks. MLGW failed to comply with this requirement.

40 C.F.R. § 761.65(c)(5): this provision required MLGW to check all PCB Items in Storage including a 500-gallon common tank for leaks at least once every thirty (30) days. The provision also required records of inspections, maintenance, cleanup and disposal in accordance to 40 C.F.R. § 761.180(a). MLGW failed to comply with this requirement.

40 C.F.R. § 761.40(a)(10): MLGW failed to properly mark the area where PCB transformers were stored and where the 500-gallon process tank containing PCB oil was located.

40 C.F.R. § 761.65(b)(1)(ii): MLGW failed to ensure that PCB storage area had continuous 6 inch high curbing that provided adequate containment volume.

40 C.F.R. § 761.65(b)(1)(iii): MLGW failed to remove or plug floor drain in PCB storage area.



40 C.F.R. § 761.40(a)(1): MLGW failed to mark the 500-gallon process tank and two 6,000-gallon storage tanks with required  $M_L$  marking.

#### **IV. PCB Marking, Record Keeping and Storage Violations at Substations 1, 3, and 4**

##### **Substation 1**

40 C.F.R. § 761.50(a)(4) provides that spills and other uncontrolled discharges of PCBs at concentration of  $\geq 50$  ppm constitutes disposal of PCBs.

40 C.F.R. § 761.60(a): provides that PCB liquids at concentration  $\geq 50$  ppm must be disposed in an approved incinerator that complies with § 761.70, except that mineral oil dielectric fluid with PCBs  $\geq 50$  ppm but  $< 500$  ppm may be disposed in a high efficiency boiler in accordance with § 761.71(a). Substation 1 located at 1642 Parsons street housed 6 cabinets. Four of six cabinets were not energized. During the inspection of cabinet #1269, a Westinghouse make Oil Circuit Breaker (OCB), serial number 61816818 containing 25 gallons was identified by the nameplate. The cabinet floor and the OCB appeared to be oily. The analytical results from the sample taken from the floor underneath the OCB showed PCBs at concentration  $\geq 500$  ppm constituting improper disposal.

40 C.F.R. § 761.35(a): MLGW failed to maintain records for 528 large high voltage PCB Capacitors stored for re-use.

40 C.F.R. § 761.35(b): MLGW failed to seek written approval from EPA to store for more than 5 years 528 large high voltage PCB Capacitors for reuse in an area that did not comply with § 761.65(b).

40 C.F.R. § 761.65: MLGW failed to properly store 528 large high voltage PCB Capacitors and dispose of the PCB waste stored for more than 1 year.

40 C.F.R. § 761.40(c)(2)(ii): MLGW failed to properly mark the six cabinets housing 792 large high voltage PCB capacitors with legible  $M_L$  labels.

##### **Substation 3**

40 C.F.R. § 761.40(c)(2)(ii): MLGW failed to properly mark four cabinets housing large high voltage PCB capacitors with legible  $M_L$  labels.

##### **Substation 4**

40 C.F.R. § 761.40(c)(2)(ii): MLGW failed to properly mark six cabinets housing 768 PCB capacitors with legible  $M_L$  labels.



40 C.F.R. § 761.35(a): MLGW failed to maintain records for 257 PCB Capacitors stored for reuse.

40 C.F.R. § 761.35(b): MLGW failed to seek written approval from EPA to store more than 5 years 257 large high voltage PCB Capacitors for reuse in an area that did not comply with § 761.65(b).

40 C.F.R. § 761.65: MLGW failed to properly store 257 PCB capacitors and to dispose of PCB waste stored for more than 1 year.







# Voluntary Accelerated PCB Removal Program



MAY 18, 2010



# Project Overview

- Voluntary accelerated removal of distribution transformers and substation capacitors containing regulated levels of PCBs [ $\geq 50$  ppm]



# Project Requirements

- ❑ Transformer removals/replacements
  - ❑ 60 1-phase submersible distribution transformers
  - ❑ 120 3-phase live-front distribution transformers
  - ❑ 700 1-phase overhead/padmout distribution transformers
  - ❑ Any transformer containing  $\geq 500$  ppm PCBs
- ❑ Transformer sampling
  - ❑ 38,996 (est) 1-phase overhead and padmount distribution transformers
- ❑ Capacitor removals/replacements
  - ❑ 2,849 large PCB substation capacitors
- ❑ **Minimum expenditure of \$10,094,390**



# Project Milestones

Task #	Task Description	Start	Finish	Due Date
1	CAFO Effective Date	11/05/08	11/05/08	11/05/08
2	Payment of Civil Penalty	11/05/08	12/05/08	12/05/08
3	Phase I URD/LF Replacements	11/05/08	11/05/09	11/05/09
4	Phase II URD/LF Replacements	11/05/09	11/05/10	11/05/10
5	Phase III URD/LF Replacements	11/05/10	11/05/11	11/05/11
6	Sampling 1-ph OH/PM Transformers	11/05/08	11/05/10	11/05/10
7	Phase I OH/PM Replacements	11/05/09	11/05/10	11/05/10
8	Phase II OH/PM Replacements	11/05/10	11/05/11	11/05/11
9	Sub 1 & 15 Cap Bank Replacements	11/05/08	11/05/09	11/05/09
10	Sub 13 & 26 Cap Bank Replacements	11/05/09	11/05/10	11/05/10
11	Sub 11 & 5 Cap Bank Replacements	11/05/10	11/05/11	11/05/11
12	Periodic Report #1.1	11/05/08	03/05/09	04/03/09
13	Periodic Report #1.2	03/05/09	07/05/09	08/04/09
14	Periodic Report #1.3	07/05/09	11/05/09	12/07/09
15	Periodic Report #2.1	11/05/09	05/05/10	06/03/10
16	Periodic Report #2.2	05/05/10	11/05/10	12/03/10
17	Periodic Report #3.1	11/05/10	05/05/11	06/02/11
18	Periodic Report #3.2	05/05/11	11/05/11	12/02/11
19	SEP Completion Report	11/05/08	11/05/11	12/02/11



# Project Accomplishments

## ☐ Transformer removals/replacements

☒ 60 1-phase submersible distribution transformers

☒ 71 3-phase live-front distribution transformers

☒ 280 1-phase overhead/padmout distribution transformers

☒ 106 transformers containing  $\geq 500$  ppm PCBs

## ☐ Transformer sampling

☐ 32,601 1-phase overhead and padmount distribution transformers

## ☐ Capacitor removals/replacements

☐ 1,071 large PCB substation capacitors

## ☐ 1,022,146 lbs of PCBs removed

All 1 $\phi$  Subs removed, replaced by  $\Delta\phi$  pad mounts  
Commute remove & replace 9 more to be removed & replaced

removed & replaced 350/yr starting 2010

All  $\rightarrow$  Units going to TCI  
MLGW  $\rightarrow$  Sample Subs + 3 $\phi$  live front distribution  
Contract - 1 $\phi$  overhead



# Project Expenditures

Activity	Cumulative Expenditures		
			% V/Est
Transformer sampling	\$ 2,784,812	\$ 4,850,306	174%
Transformer purchases	\$ 2,387,627	\$ 1,630,682	68%
URD replacements	\$ 276,000	\$ 325,619	118%
LF replacements	\$ 831,006	\$ 329,944	40%
PCB xfrmr replacements	\$ -	\$ 145,388	----
OH/PM replacements	\$ 1,775,985	\$ 574,313	32%
PCB xfrmr disposal	\$ -	\$ 105,204	----
Capacitor replacement	\$ 2,038,960	\$ 967,891	47%
PCB capacitor disposal	\$ -	\$ 489,404	----
<b>OVERALL SEP TOTALS</b>	<b>\$10,094,390</b>	<b>\$ 9,418,751</b>	<b>93%</b>

*Correct*





**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
MEMPHIS ENVIRONMENTAL FIELD OFFICE  
8383 WOLF LAKE DRIVE  
BARTLETT, TN 38133-4119  
PHONE (901) 371-3000 STATEWIDE 1-888-891-8332 FAX (901) 371-3170**

February 22, 2012

Ms. Kerry R. Roy, P.E.  
Memphis Light, Gas and Water  
Environmental Affairs  
220 South Main Street  
Memphis, TN 38103

**RE: Follow-up Inspection by Records Review to the Division's  
Notice of Violation (NOV) Dated January 20, 2012  
MLGW – North Service Center (NSC)  
1060 Tupelo Street  
Memphis, TN 38108  
TND 98-778-9062**

Dear Ms. Roy:

Personnel from the Division of Solid Waste Management (DSWM), Memphis Environmental Field Office conducted an unannounced hazardous waste compliance evaluation inspection (CEI) at the above-referenced facility on October 26, 2011. Five violations were identified as a result of the inspection. The violations were formally documented in a NOV, dated January 20, 2012. The NOV directed NSC to submit written documentation to the DSWM by February 21, 2012, that demonstrated the violations were corrected.

The DSWM received NSC's written response to the January 20, 2012, NOV on February 21, 2012. The DSWM conducted a follow-up inspection by reviewing the information contained in the response documentation. Based on a review of the records, the DSWM determined that the violations noted in the January 20, 2012, NOV have been adequately addressed.

The DSWM commends NSC regarding the corrective measures implemented to reestablish compliance. However, please keep in mind that a return to compliance does not necessarily eliminate possible future enforcement action.

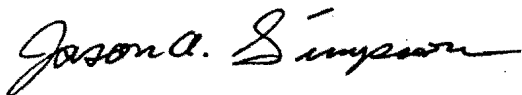
If you have questions concerning this letter, please call (901) 371-3014.

**Docket No. 762792**



Ms. Kerry R. Roy, P.E.  
Environmental Affairs  
Memphis Light, Gas & Water  
February 22, 2012  
Page 2

Sincerely,

A handwritten signature in cursive script that reads "Jason A. Simpson".

Jason A. Simpson, P.E.  
State of Tennessee  
Division of Solid Waste Management  
Memphis Environmental Field Office

JAS\

- c: Central File, Nashville Central Office  
Inspection File, Memphis Environmental Field Office  
Jason Simpson, DSWM, Memphis Environmental Field Office  
Norma Branch, DSWM, Memphis Environmental Field Office  
Herb Nicholson, DSWM, Memphis Environmental Field Office  
Dennis Woodson, DSWM, Nashville Central Office  
Adrienne White, DSWM, Toxic Substances Section, Nashville Central Office  
Hector Danois, EPA Region 4





**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
MEMPHIS ENVIRONMENTAL FIELD OFFICE**

**8383 WOLF LAKE DRIVE  
BARTLETT, TN 38133-4119**

**PHONE (901) 371-3000 STATEWIDE 1-888-891-8332 FAX (901) 371-3170**

January 20, 2012

**CERTIFIED MAIL 91 7108 2133 3932 1075 1590  
RETURN RECEIPT REQUESTED**

Ms. Kerry R. Roy, P.E.  
Memphis Light, Gas and Water  
Environmental Affairs  
220 South Main Street  
Memphis, TN 38103

RE: Hazardous Waste Inspection  
MLGW – North Service Center  
1060 Tupelo Street  
Memphis, TN 38108  
TND 98-778-9062

Dear Ms. Roy:

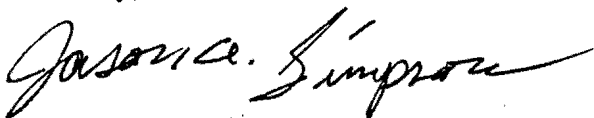
This letter confirms the observations made by the Division of Solid Waste Management (DSWM), Memphis Environmental Field Office personnel during the hazardous waste inspection at the above-referenced facility. The inspection was performed on October 26, 2011 with United States Environmental Protection Agency (EPA) representative, Mr. Hector Danois as the lead.

The enclosed report outlines the violations identified during the inspection. Corrective measures for the violations shall be implemented immediately. **Please submit documentation to this office no later than February 21, 2012, demonstrating that the violations have been corrected.** A follow-up inspection may be conducted to verify the facility's return to compliance.

The DSWM appreciates MLGW – North Service Center's cooperation during this inspection. If you have questions concerning this letter or the enclosed report, please do not hesitate to contact me at (901) 371-3014 or e-mail me at [Jason.simpson@tn.gov](mailto:Jason.simpson@tn.gov).



Sincerely,



Jason A. Simpson, P.E.  
State of Tennessee  
Division of Solid Waste Management  
Memphis Environmental Field Office

JAS\

Enclosure: Hazardous Waste Inspection Report

Table: 1) Waste Stream Information

Attachments: 1) Photographs of unlabeled containers of used oil at Building 6  
2) Photograph of containers at the Parts Storage Area outside of Building 5  
3) Photographs of PCB contaminated materials storage area

c: Central File, Nashville Central Office  
Inspection File, Memphis Environmental Field Office  
Jason Simpson, DSWM, Memphis Environmental Field Office  
Norma Branch, DSWM, Memphis Environmental Field Office  
Herb Nicholson, DSWM, Memphis Environmental Field Office  
Dennis Woodson, DSWM, Nashville Central Office  
Adrienne White, DSWM, Toxic Substances Section, Nashville Central Office  
Hector Danois, EPA Region 4



## HAZARDOUS WASTE INSPECTION REPORT

### MLGW – North Service Center

- **SITE/PHYSICAL LOCATION:**

MLGW – North Service Center  
1060 Tupelo Street  
Memphis, TN 38108  
TND 98-778-9062  
County: Shelby

- **PRIMARY CONTACTS:**

Ms. Kerry R. Roy, P.E.  
Environmental Engineer  
Memphis Light, Gas and Water  
Environmental Affairs  
220 South Main Street  
Memphis, TN 38103  
Telephone: (901) 528-4194

- **DATE AND START-TIME OF INSPECTION:**

Wednesday, October 26, 2011, @ 0915 CDT

- **INSPECTION PARTICIPANTS:**

Ms. Kerry Roy, Environmental Engineer, Environmental Affairs, Memphis Light, Gas and Water  
Mr. Justin Walker, Foreman of North Service Center Garage, Memphis Light, Gas and Water  
Mr. Jason Simpson, DSWM, Memphis Environmental Field Office  
Mr. Hector Danois, EPA Region 4

- **REPORT PREPARED BY:**

Jason A. Simpson, P.E.  
Division of Solid Waste Management  
Memphis Environmental Field Office  
8383 Wolf Lake Drive  
Bartlett, TN 38133-4119  
Telephone: (901) 371-3014  
Fax: (901) 371-3170  
E-mail: [Jason.Simpson@tn.gov](mailto:Jason.Simpson@tn.gov)



• **PURPOSE OF INSPECTION:**

This unannounced compliance evaluation inspection (CEI) was conducted to evaluate MLGW – North Service Center's (NSC) compliance with applicable requirements of the rules and regulations promulgated pursuant to the Hazardous Waste Management Act, T.C.A. 68-212-101 et seq., and the Hazardous Waste Reduction Act, T.C.A. 68-212-301 et seq. The last unannounced CEI conducted at the facility by the Division was on December 6, 1995.

• **FACILITY DESCRIPTION:**

Since 1939, Memphis Light, Gas and Water (MLGW) has been a municipal utility serving nearly 430,000 customers in the Shelby County area. NSC is where MLGW stores part of their fleet of trucks and provides supplies to MLGW repair crews. In addition, NSC provides maintenance to the trucks, gas meters and lawn mowers. The North American Industry Classification System (NAICS) code most suitable for this facility is 221122. The Waste Activity Audit Section (WAAS) in Nashville indicated that this MLGW facility was a large quantity generator (LQG) of hazardous waste. According to the WAAS, NSC has 10 active waste streams (WSs). Information regarding these WSs is summarized in Table 1. At the time of the inspection, NSC was determined to be a Small Quantity Generator of hazardous waste (SQG).

• **INSPECTION FINDINGS:**

The CEI consisted of a walk-through to inspect areas related to the management of hazardous waste, universal waste and used oil and a review of NSC's hazardous waste records.

Building 6

This is the area where NSC provides general vehicle maintenance to their fleet of trucks within 14 bay lifts. The area has a parts washer that uses detergent and hot water. The skimmed oil is stored in a 10-gallon bucket and recycled as used oil. The bucket was not labeled. Additionally, the area has a tear down table where parts are disassembled. The table has a drain where used oil flows and is collected in a 5-gallon bucket. The bucket was not labeled (see Attachment 1).

Building 6 has two lifts and fourteen bays to provide maintenances to their fleet. At the time of the inspection, the inspection team found a 15-gallon container storing used oil and an oil filter drain table near the lift area. The container and the drain table were not labeled. The DSWM noted two 55-gallon drums of used oil that were labeled. Outside Building 6, NCS has a 1,000-gallon registered underground storage tank storing used oil.



The inspection team recommended to NSC to label the top cap of the tank with the words "Used Oil."

Building 6 has a battery room where used batteries are tested and stored for disposal. At the time of the inspection, the area was not storing used batteries. The DSWM suggested that NSC designate an area to store universal waste batteries.

The DSWM observed two 55-gallon satellite accumulation area (SAA) drums, one storing "used gas" and the other storing aerosol cans residue. The drums were closed and labeled. NCS has a metal cabinet used as a hazardous waste storage area, located outside Building 6. At the time of the inspection the cabinet was empty.

#### Building 8

Building 8 or Gas Meter Shop is where NCS repairs and rebuilds gas meters. At the time of the inspection, the area was storing one 55-gallon drum of used batteries. The container was labeled.

The area had a paint booth for painting the meters. Filters are disposed of as a Special Waste. Near the paint booth, the DSWM noted a flammable cabinet. Inside the cabinet the operator keeps a closed 1-gallon container of spent solvent. This SAA container was not labeled.

#### Building 5

Building 5 or Tool Room is where NCS has their small engineer repair shop. At the time of the inspection, the area was storing two 30-gallon drums of Universal Waste Batteries. The containers were labeled. Outside of Building 5, inside a metal cabinet, NCS was storing a 55-gallon drum that was labeled with the word "Hazardous Waste," but the top funnel was open. This drum was not marked with an accumulation date. NSC had been managing this area as a SAA. The DSWM stated that this area should be managed as a 180-day hazardous waste storage area because it is not at or near the point of generation.

#### Parts Storage

Located outside Building 5, Parts Storage is where NCS stores some equipment parts. At the time of the inspection, the DSWM noted two 55-gallon drums labeled with the words "Hazardous Waste." One drum was empty and the other drum was closed, half-full but not have a description of the waste inside the drum. These drums were not dated (see Attachment 2). NCS personnel did not know what was in the closed drum. On December 2, 2011, NCS e-mailed the DSWM and stated that, after the CEI, the drum was opened and it was determined to be 99% water and 1% used oil/kerosene blend. The material will be disposed of as a non-hazardous waste.



#### Small Engine Shop

This is the area where NCS repairs and maintains small engine equipment. At the time of the inspection, this area was storing a 5-gallon bucket storing drained gas. This SAA bucket was labeled hazardous waste but was not closed.

#### Building 4

Building 4 or Spill Crew building is where NCS stores contaminated debris from spill responses (oils, PCBs, etc.) around the county. In a small open metal building, the DSWM observed twelve 55-gallon drum storing used oil spill media, two 7-gallon containers and one 1-gallon container storing used oil. The containers were not labeled.

Next to the small building, the inspection team found a locked metal storage building. At the time of the inspection, the building was storing six 55-gallon drums labeled as containing PCB contaminated media and four capacitors (see Attachment 3). The drums were dated February 14, 2006, June 6, 2006 (3 drums), April 7, 2004, and April 7, 2006.

#### Locator Area

The Locator Area is where lines (gas, water, and electrical) locators accumulate used aerosol paint cans at a 180-day hazardous waste storage area. At the time of the inspection, the DSWM observed in the storage area one 20-cubic yard roll off box full of aerosol cans. The roll off box was closed, labeled hazardous waste and dated September 19, 2011. NCS personnel stated that after the cans are collected they are punctured and the residue stored in 55-gallon drums. The DSWM noted two 55-gallon drums of aerosol can residue in this storage area. The drums were labeled and dated July 19, 2011 and October 17, 2011. It appears that the operator in this area starts a new drum accumulation date when beginning to puncture the aerosol cans from the roll off box. The DSWM stated that the hazardous waste storage time limit for the paint waste accumulated in the 55-gallon drums should begin when the earliest aerosol can is placed in the roll off box, as opposed to the date the can is being punctured.

#### Building 2

Building 2 or Store Room is where NCS warehouse supplies for the NCS facility. At the time of the inspection, the area was storing six 55-gallon drums of Universal Waste Lamps. The drums were closed and labeled.



### Building 1

Building 1 or Administration Room is where NCS stores Universal Waste Batteries. At the time of the inspection, the area was storing two 55-gallon drums of alkaline batteries. The drums were closed and labeled.

### Building 3

Building 3 or All Services Center is where NCS warehouses supplies for all MLGW facilities. At the time of the inspection, the DSWM observed a SAA in this area. This SAA contained one 55-gallon drum with an aerosol can puncturer. The drum was closed and labeled.

### Record Review

The review of NCS's hazardous waste records included the following documents: annual waste stream report; hazardous waste reduction plan; contingency plan; training records; and weekly inspection logs for the 180-day hazardous waste storage areas.

At the time of the inspection, the DSWM noted a significant number of weekly inspections were not conducted at the Locator Area and the Building 6 Storage Area from 2009 to 2011.

### • **VIOLATIONS:**

During this compliance evaluation, violations of the following Rules were cited:

1. **Rule 1200-1-11-.11(3)(c)3(i)** – States that containers and aboveground tanks used to store used oil at generator facilities must be labeled or marked clearly with the words "Used Oil." [40 CFR 279.22(c)(1)]

**Note:** One 10-gallon bucket, one 5-gallon bucket, one 15-gallon container, twelve 55-gallon drums, two 7-gallon containers and one 1-gallon container containing used oil were not labeled with the words "used oil" (see Attachment 1).

2. **Rule 1200-1-11-.03(4)(e)5(i)(II)** – States that a generator may accumulate as much as 55 gallons of hazardous waste or one quart of acute hazardous waste listed in Rule 1200-1-11-.02(4)(b), (c) or (d)5, in containers at or near any point of generation where wastes initially accumulate, which is under the control of the operator of the process generating the waste, without a permit or interim status and without complying with part 2 of this subparagraph provided he:



- (II) Marks his containers either with the words “Hazardous Waste” or with other words that identify the contents of the containers. [40 CFR 262.34(c)(1)(ii)]

**Note:** One 1-gallon container containing hazardous waste at a SAA was not labeled with either the words “Hazardous Waste” or the contents of the container.

3. **Rule 1200-1-11-.05(9)(d)1** – As referenced from Rules 1200-1-11-.03(4)(e)5(i)(I) and 1200-1-11-.03(4)(e)6(ii), states that a container holding hazardous waste must always be closed during storage, except when it is necessary to add or remove waste. [40 CFR 265.173(a)]

**Note:** One 55-gallon drum of hazardous waste at a 180-day hazardous waste storage area outside of Building 5 and one 5-gallon bucket of hazardous waste at a SAA in the Small Engine Shop were observed to be open by the DSWM.

4. **Rule 1200-1-11-.03(4)(e)6(iv)(I)** – States that a small quantity generator who generates greater than 100 kilograms but less than 1000 kilograms of hazardous waste in a calendar month may accumulate hazardous waste onsite for 180 days or less without a permit or without having interim status provided that:  
(iv) (I) Where containers are used, the date upon which each period of accumulation begins is clearly marked and visible for inspection on each container. [40 CFR 262.34(a)(2) as referenced from 262.34(d)(4)]

**Note:** One 55-gallon drum of hazardous waste at a 180-day hazardous waste storage area outside of Building 5 and one 55-gallon drum labeled with the words “Hazardous Waste” at a 180-day hazardous waste storage area in the Part Storage Area outside Building 5 (see Attachment 2) were not marked with an accumulation start date.

5. **Rule 1200-1-11-.05(9)(e)** – As referenced from Rule 1200-1-11-.03(4)(e)6(ii), states that the owner or operator must inspect areas where containers are stored, at least weekly, looking for leaks and for deterioration caused by corrosion or other factors. [40 CFR 265.174]

**Note:** The DSWM noted a significant number of weekly inspections were not conducted at the Locator 180-day hazardous waste storage area and the Building 6 180-day hazardous waste storage area from 2009 to 2011. The 180-day hazardous waste storage area outside of Building 5 had no inspection documentation.

• **REMARKS:**

The DSWM stated that the hazardous waste storage time limit for the paint waste accumulated in the 55-gallon drums at the Locator 180-day hazardous waste storage area



should begin when the earliest aerosol can is placed in the roll off box in this area, as opposed to the date the can is being punctured.

On December 2, 2011, MGLW notified the DSWM by e-mail that off-spec fuel (gasoline and/or diesel) would no longer be managed as a solid waste (and hazardous waste) at NSC. This material will be fuel blended and burned for energy recovery in accordance with Rule 1200-1-11-.02(1)(b)3(ii). At the time of the CEI, this material was managed as hazardous waste at the 180-day hazardous waste storage outside Building 5 and the SAA in the Small Engine Shop.

The DSWM appreciates the cooperation of NCS during the CEI. If there are any questions about this report, please call (901) 371-3014.

SIGNED: Jason A. Simpson DATE: 1/20/12  
Jason A. Simpson, P.E., Environmental Protection Specialist  
State of Tennessee  
Memphis Environmental Field Office  
Division of Solid Waste Management

REVIEWED: Norma L. Branch DATE: 1/20/2012  
Norma L. Branch, Environmental Specialist  
State of Tennessee  
Memphis Environmental Field Office  
Division of Solid Waste Management

REVIEWED: Herb Nicholson DATE: 1/23/12  
Herb Nicholson, P.G., CHMM, Environmental Field Office Manager  
State of Tennessee  
Memphis Environmental Field Office  
Division of Solid Waste Management



**TABLE 1**

<b>Waste Stream Information</b>		
<b>WS Number</b>	<b>Description</b>	<b>EPA Waste Codes</b>
9	Waste Paint Related Material: Residual paint from punctured aerosol cans	D001, D035, F003, F005
16	Gasoline/Diesel Mixture: Vehicle maintenance	D001, D018
17	Waste Aerosol Cans: Off-spec product	D001
18	Gasoline Contaminated Rags: Vehicle Maintenance	D018
19	Waste Mercury: Removing mercury from gas charts/meters	D002, D009
20	Flammable Liquids: Outdated/off-spec products	D001
21	Waste Natural Gas Distillate: Maintenance to natural gas lines	D001, D018
22	Compressed Gas Cylinders: Old/outdated product	D001
23	Waste Gasoline & Water: Off-spec product	D001, D018
24	Residue from Aerosol Cans: Puncturing aerosol cans - garage	D001



ATTACHMENT 1



Photographs of unlabeled containers of used oil at Building 6



**ATTACHMENT 2**



Photograph of containers at the Parts Storage Area outside of Building 5



ATTACHMENT 3



Photographs of PCB contaminated materials storage area



MEMPHIS LIGHT, GAS AND WATER DIVISION

February 21, 2012

Mr. Jason Simpson, P.E.  
TDEC-DSWM  
Memphis Environmental Field Office  
8383 Wolf Lake Drive  
Bartlett, TN 38133-4119

RE: Response to Hazardous Waste Inspection Report  
Memphis Light, Gas and Water Division - North Service Center  
1060 Tupelo Street  
Memphis, TN 38108  
TND 98-778-9062

Dear Mr. Simpson,

Memphis Light, Gas and Water (MLGW) recently received a Hazardous Waste Inspection Report dated January 20, 2012, from the Tennessee Department of Environment and Conservation – Division of Solid Waste Management (TDEC-DSWM). This report detailed the October 26, 2011, compliance evaluation inspection (CEI) at MLGW's North Service Center. Five violations were noted during the CEI, which were detailed in the report. The enclosed response documentation addresses each of these violations.

MLGW appreciates the opportunity to make our corrective measures known to both TDEC and the public. We strive to continuously improve our operations by minimizing environmental impact and achieving compliance with all environmental laws and regulations.

Please do not hesitate to contact me with any questions or further requests. Thank you for your time and consideration.

Sincerely,

*Kerry R Roy*

Kerr Roy, P.E.  
Environmental Affairs  
Memphis Light, Gas and Water

Enclosures: MLGW Response Documentation

c: Hector Danois, EPA Region 4



## RESPONSE TO HAZARDOUS WASTE INSPECTION REPORT

On October 26, 2011, Jason Simpson with the Tennessee Department of Environment and Conservation, Division of Solid Waste Management (TDEC-DSWM) and Hector Danois with the United States Environmental Protection Agency (EPA) performed a compliance evaluation inspection (CEI) at MLGW's North Service Center. A Hazardous Waste Inspection Report dated January 20, 2012, documented the findings of the inspection. Five violations were noted in the report, and corrective measures were immediately implemented by MLGW personnel. The corrective measures are described in this report.

### CORRECTIVE MEASURES

1. Rule 1200-1-11-.11(3)(c)3(i) – States that containers and above ground tanks used to store use oil at generator facilities must be labeled or marked clearly with the words "Used Oil." [40 CFR 279.22(c)(1)]

During the CEI, a 10-gallon bucket, a 5-gallon bucket, a 15-gallon container and a filter draining table at the Building 6 Garage were not marked with the words *Used Oil*. These containers have since been properly labeled (Attachment A).

Outside Building 4, there were twelve 55-gallon drums of oil spill media, two 7-gallon containers of oil and a 1-gallon container oil. None of these containers were marked *Used Oil*. All of these containers were generated as a result of transformer leaks and/or spills. The 7-gallon containers and the 1-gallon container were placed inside a 55-gallon drum, and the thirteen drums were transported to MLGW's Central Shops for storage. The thirteen drums were shipped off-site to *TCI of Alabama* as assumed PCB-contaminated media on January 24, 2012. These containers are included in Line 1 of the Hazardous Waste Manifest Document 009174505 JJK (Attachment B).

2. Rule 1200-1-11-.03(4)(e)5(i)(II) – States that a generator may accumulate as much as 55-gallons of hazardous waste or one quart of acute hazardous waste listed in Rule 1200-1-11-.02(4)(b), (c) or (d)5, in containers at or near any point of generation where wastes initially accumulate, which is under the control of the operator of the process generating the waste, without a permit or interim status and without complying with part 2 of this subparagraph provided he mark his containers either with the words "Hazardous Waste" or with other words that identify the contents of the containers. [40 CFR 262.34(c)(1)(ii)]

During the CEI, a 1-gallon container of hazardous waste at a satellite accumulation area (SAA) in Building 8 was not labeled. A new satellite container that is properly labeled has been set up inside the paint booth (Attachment A). Additionally, the paint booth operator and the supervisors in this area underwent a refresher training regarding hazardous waste management (Attachment C).



3. **Rule 1200-1-11-.05(9)(d)1**– States that a container holding hazardous waste must always be closed during storage, except when it is necessary to add or remove waste. [40 CFR 265.173(a)]

During the CEI, a 55-gallon drum of hazardous waste at a 180-day storage area outside of Building 5 and one 5-gallon bucket of hazardous waste at a SAA in the Small Engine Shop were open. Both containers were accumulating waste fuel drained from small engines.

On December 2, 2011, MLGW began managing this waste stream as off-spec fuel (gasoline and/or diesel). Off-spec fuel is no longer being managed as a solid waste (and hazardous waste) at our service centers. This material is fuel blended and burned for energy recovery in accordance with Rule 1200-1-11-.02(1)(b)3(ii). Managing off-spec fuel in this manner will help MLGW to reduce the amount of hazardous waste generated on-site each month. Please refer to the documentation in Attachment D for details.

Since this waste stream meets the regulatory exclusion for off-spec fuel, Rule 1200-1-11-.05(9)(d)1 will no longer apply. MLGW intends to keep these containers closed when not in use as a best management practice. A new funnel with a latch has been purchased for the 55-gallon drum outside Building 5 (Attachment A).

4. **Rule 1200-1-11-.03(4)(e)6(iv)(I)**– States that a small quantity generator who generates greater than 100 kilograms but less than 1,000 kilograms of hazardous waste in a calendar month may accumulate hazardous waste onsite for 180 days or less without a permit or without having interim status provided that, where containers are used, the date upon which each period of accumulation begins is clearly marked and visible for inspection on each container. [40 CFR 262.34(a)(2) as referenced from 262.34(d)(4)]

During the CEI, two 55-gallon drums outside Building 5 were confirmed to be located in 180-day storage areas, but neither drum was marked with an accumulation start date.

The 55-gallon drum inside the hazmat shed was accumulating fuel drained from small engines. On December 2, 2011, MLGW began managing this waste stream as off-spec fuel (gasoline and/or diesel). As previously mentioned, this material is no longer being managed as a solid waste (and hazardous waste) at our service centers. Please refer to the documentation in Attachment D for details.

The second drum was located in the Parts Storage area. At the time of the inspection, the drum was labeled *Hazardous Waste*; however, on-site personnel could not identify what was inside the drum. MLGW determined through analytical testing that the drum contained 99% water and 1% used oil/kerosene. The material was disposed of on November 11, 2011, as a non-hazardous waste. Please review Line 3 of the Hazardous Waste Manifest Document 008841118 JJK (Attachment E) for details.

5. **Rule 1200-1-11-.05(9)(e)** – States that the owner or operator must inspect areas where containers are stored, at least weekly, looking for leaks and for deterioration caused by corrosion or other factors. [40 CFR 265.174]



Environmental Affairs personnel spoke with the employees at the North Service Center and stressed the importance of weekly inspections and good record-keeping. It was emphasized that the hazardous waste inspections must be conducted every seven days and the log must be maintained for at least three years from the date of the inspection.

The DSWM and MLGW noted that a significant number of weekly inspections were not conducted at the Locator 180-day waste storage area. A statement from the General Foreman of the Facility Locations Department is provided in Attachment F. This statement affirms their commitment to performing weekly inspections in accordance with the regulations.

Additionally, Environmental Affairs has hired a contractor to perform weekly inspections at the Locator's hazardous waste storage area to ensure compliance with this regulatory requirement. MLGW's Locators are unaware that a contractor has been hired, and the Facility Location Department remains accountable for performing and documenting weekly inspections. The contractor's services will provide Environmental Affairs with a second layer of support.

No inspection logs could be provided for the hazardous waste storage area outside Building 5. At the time of the inspection, the drum was labeled *Hazardous Waste*; however, on-site personnel could not identify what was inside the drum. MLGW has taken several steps to prevent this scenario from occurring in the future.

On October 31, 2011, Environmental Affairs included a statement addressing MLGW's waste management standards in the weekly bulletin, which is distributed to the entire company via email. Additionally, Environmental Affairs and members of the executive staff are currently performing internal audits at every MLGW facility, starting with the North Service Center. Finally, Environmental Affairs is scheduled to give a presentation entitled *MLGW's Waste Initiative* on February 27, 2012, to MLGW's executive staff, including the company president.

Copies of the October 31, 2011, Weekly Bulletin and the *General Housekeeping Checklist*, which is used during the internal audits, are provided in Attachment F.

## **RECOMMENDATIONS**

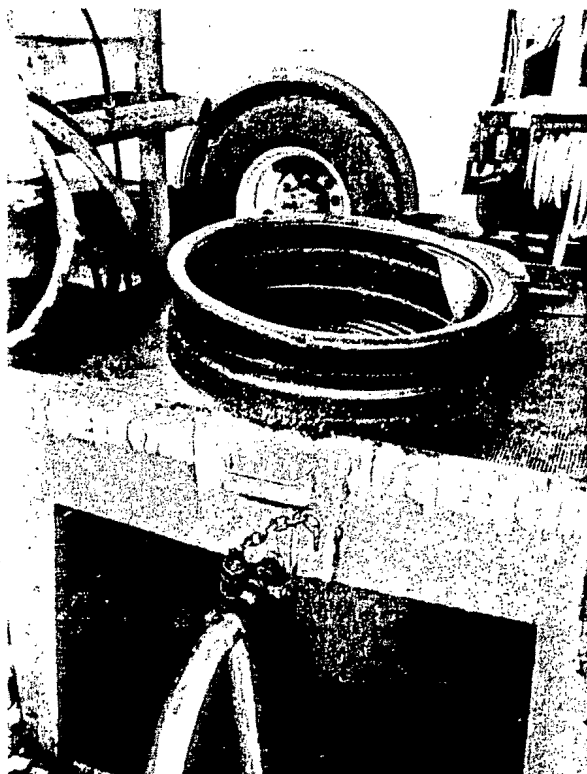
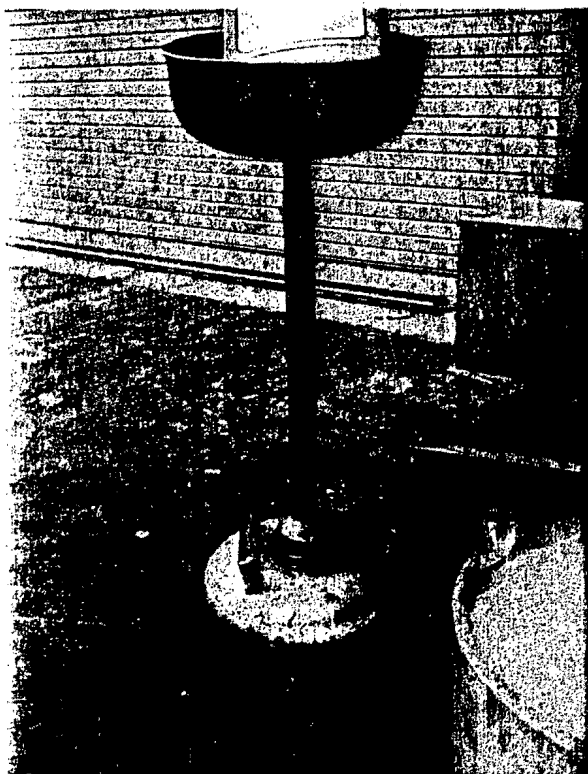
In the Inspection Report, TDEC-DSWM recommended that MLGW label the cap of the Used Oil Underground Storage Tank (UST). The cap has been labeled with the words *Used Oil*. TDEC also recommended that MLGW designate a universal waste battery storage area in the garage. The garage has since designated a location for spent batteries prior to recycling. Please refer to the photographs in Attachment A for details.

In the *Remarks* portion of the inspection report, TDEC-DSWM commented that the storage time limit for the paint waste accumulated in the 55-gallon drums at the Locator 180-day hazardous waste storage area should begin when the first aerosol can is placed in the roll-off box. This procedural change was implemented immediately after the CEI.



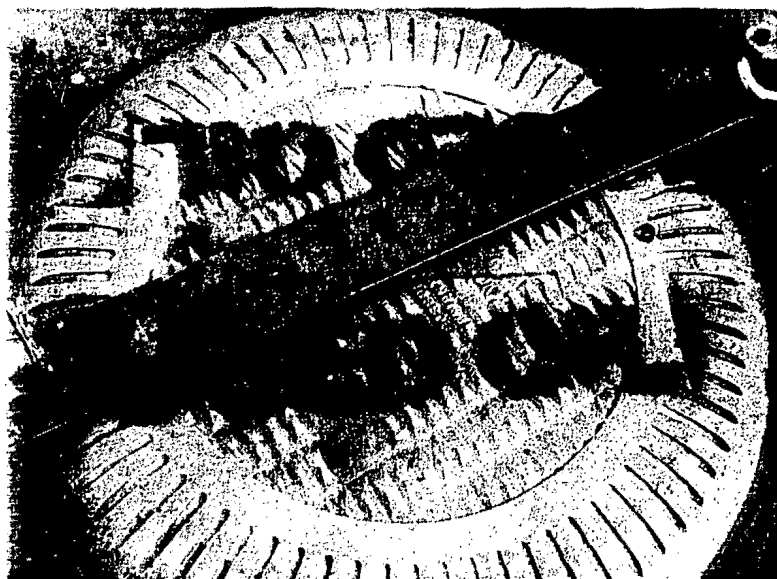
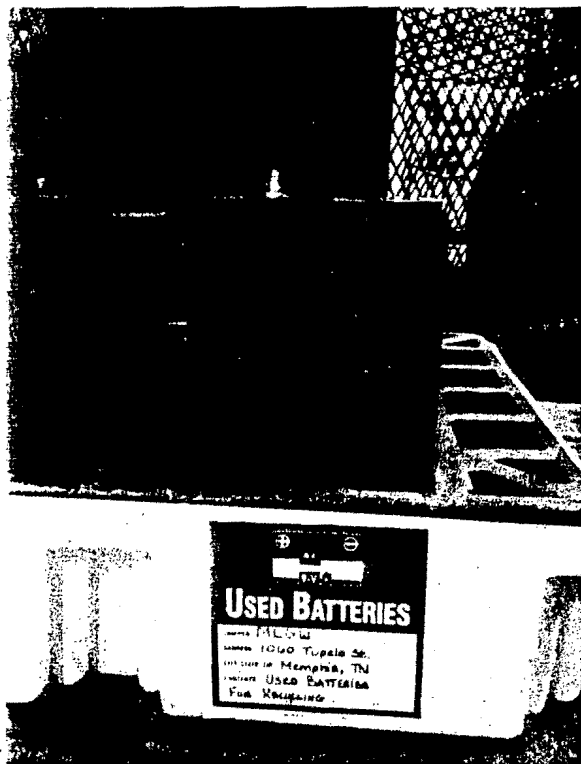
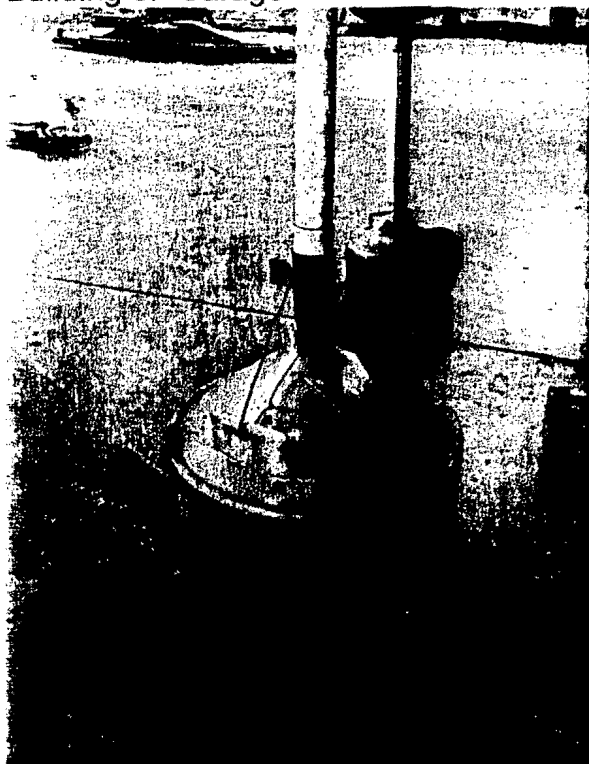
## ATTACHMENT A

Building 6: Garage





Building 6: Garage





Building 5: Tool Room



Building 8: Gas Meter Shop





## ATTACHMENT B

Please print or type. (Form designed for use on elite (12-pitch) typewriter.)

20265

Form Approved, OMB No. 2050-0039

<b>UNIFORM HAZARDOUS WASTE MANIFEST</b>		1. Generator ID Number <b>TND980601836</b>	2. Page 1 of <b>1</b>	3. Emergency Response Phone <b>800 424-9300</b>	4. Manifest Tracking Number <b>009174505 JJK</b>	
5. Generator's Name and Mailing Address <b>MEMPHIS LIGHT, GAS &amp; WATER DIV Cnt: GERALD WOOD</b> <b>703 BEALE STREET</b> <b>MEMPHIS, TN 38103-</b> Generator's Phone: <b>901 677-2081 Ext: 0</b>						
6. Transporter 1 Company Name <b>TCI OF ALABAMA, LLC.</b>					U.S. EPA ID Number <b>ALD983167891</b>	
7. Transporter 2 Company Name					U.S. EPA ID Number	
8. Designated Facility Name and Site Address <b>TCI OF ALABAMA, LLC</b> <b>101 PARKWAY EAST</b> <b>PELL CITY, AL 35125-2749</b> Facility's Phone: <b>205 338-9997</b>					U.S. EPA ID Number <b>ALD983167891</b>	
GENERATOR	9a. HM	9b. U.S. DOT Description (including Proper Shipping Name, Hazard Class, ID Number, and Packing Group (if any))	10. Containers No. Type	11. Total Quantity	12. Unit Wt/Vol	13. Waste Codes
	1.	<b>EQ, POLYCHLORINATED BIPHENYLS, SOLID, 9, UN3432, PGIII</b>	<b>16 DM</b>	<b>2287</b>	<b>K</b>	
	2.	<b>NON DOT REGULATED, POLYCHLORINATED BIPHENYLS</b>	<b>1 TP</b>	<b>241</b>	<b>K</b>	
	3.	<b>NON DOT REGULATED, POLYCHLORINATED BIPHENYLS</b>	<b>56 TP</b>	<b>4087</b>	<b>K</b>	
	4.	<b>NON DOT REGULATED ELECTRICAL EQUIPMENT</b>	<b>1 TP</b>	<b>150</b>	<b>K</b>	
14. Special Handling Instructions and Additional Information <b>1. DRUM OF PCB SOLIDS &gt;49 PPM PCBs</b> <b>2. PCB FLUID IN ELECTRICAL EQUIPMENT</b> <b>3. PCB CONTAMINATED FLUID IN ELECTRICAL EQUIPMENT</b> <b>4. DRAINED PCB-CONTAMINATED ELECTRICAL EQUIPMENT</b> <b>Emergency Response Guide #171</b> <b>24H EMERGENCY CONTACT: CHEMTREC</b>						
15. GENERATOR'S/OFFEROR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by the proper shipping name, and are classified, packaged, marked and labeled/placarded, and are in all respects in proper condition for transport according to applicable international and national governmental regulations. If export shipment and I am the Primary Exporter, I certify that the contents of this consignment conform to the terms of the attached EPA Acknowledgment of Consent. I certify that this waste minimization statement identified in 40 CFR 262.27(a) (if I am a large quantity generator) or (b) (if I am a small quantity generator) is true.						
Generator's/Officer's Printed/Typed Name <b>Gerald Wood</b> Signature <i>Gerald Wood</i> Month Day Year <b>11 13 11 12</b>						
TRANSPORTER INTL	16. International Shipments <input type="checkbox"/> Import to U.S. <input type="checkbox"/> Export from U.S. Port of entry/exit: _____ Date leaving U.S.: _____					
	17. Transporter Acknowledgment of Receipt of Materials Transporter 1 Printed/Typed Name <b>James Giff</b> Signature <i>James Giff</i> Month Day Year <b>11 12 11 12</b> Transporter 2 Printed/Typed Name _____ Signature _____ Month Day Year _____					
DESIGNATED FACILITY	18. Discrepancy 18a. Discrepancy Indication Space <input type="checkbox"/> Quantity <input type="checkbox"/> Type <input type="checkbox"/> Residue <input type="checkbox"/> Partial Rejection <input type="checkbox"/> Full Rejection Manifest Reference Number: _____					
	18b. Alternate Facility (or Generator) U.S. EPA ID Number _____					
	Facility's Phone: _____ 18c. Signature of Alternate Facility (or Generator) _____ Month Day Year _____					
	19. Hazardous Waste Report Management Method Codes (i.e., codes for hazardous waste treatment, disposal, and recycling systems) 1. _____ 2. _____ 3. _____ 4. _____					
20. Designated Facility Owner or Operator: Certification of receipt of hazardous materials covered by the manifest except as noted in item 18a. Printed/Typed Name _____ Signature _____ Month Day Year _____						



## ATTACHMENT C



### WASTE GUIDELINES GAS METER SHOP - PAINT BOOTH

**Facility Location:** North Service Center  
Gas Measurement  
1060 Tupelo Street, Bldg. 8  
Memphis, TN 38108

**Facility Contacts:** Wally Kellett, Supervisor  
(901) 320-1425 [WKellett@mlgw.org](mailto:WKellett@mlgw.org)  
Gary Fleming, Foreman  
(901) 320-1500 [GFleming@mlgw.org](mailto:GFleming@mlgw.org)

**Created By:** Kerry Roy, Environmental Affairs  
**Contact Information:** (901) 528-4194 [KRoy@mlgw.org](mailto:KRoy@mlgw.org)

### Waste Generation Activities

#### Paint Booth Operations

The Paint Booth inside the North Service Center - Building 8 is used to re-finish gas meters. The following chemicals are used on-site during painting operations:

- *Acme Chemex Inc.* - 99% IPA Isopropyl Alcohol is used to clean gas meters prior to painting;
- *Tuff Boy Chain Stop Enamel* is used to coat the gas meters;
- *DuPont Acrylic Lacquer Thinner* is used to clean the paint gun; and
- *Sherwin Williams Mineral Spirits* are used to clean tools that have been contaminated with paint.

There are three waste streams that are routinely generated from painting operations. Absorbents contaminated with paint and solvent are generated from cleaning the meters and the paint gun. Spent solvent is generated from cleaning the paint gun and tools. Finally, spent paint booth filters are generated from changing out the filters in the paint booth's ventilation system.

The contaminated absorbents and the spent solvent are both managed as a hazardous waste. Satellite accumulation areas have been set up for these two waste streams. The used paint booth filters are managed as a special waste.

#### Outdated or Off-Spec Products

It is a standard operating procedure to perform an annual cleanout at the Gas Meter Shop. Outdated or expired products that are identified during this clean-out may generate a hazardous waste.

#### Spills

Gas Meter Shop employees are careful to prevent spills; however, waste may be generated as a result of an accidental spill and the associated clean-up activities.



## Waste Responsibilities

Waste responsibilities include the following:

- Collect waste in a suitable container;
- Properly label waste containers with a description of the contents. For example, "Waste Thinner", "Used Absorbents", etc;
- Keep waste containers closed;
- Contact Environmental Affairs when the containers are full;
- Ensure that employees are performing an annual cleanout looking for outdated products;
- Take measures to prevent spills or leaks;
- Keep suitable spill control equipment readily available; and
- Ensure that MLGW employees are aware of hazardous waste management procedures and their role in case of a spill or other chemical emergency.

## Certification Statement

I certify that I have read the above *Waste Guidelines* for the Gas Meter Shop Paint Booth. Reviewing and understanding the topics presented in this document meets the annual training requirements listed in the Tennessee Rule Chapter 1200-1-11, Hazardous Waste Management.

Signed: Walter Kellett Date: 11/30/11  
Walter Kellett

Signed: Gary Fleming Date: 11-10-11  
Gary Fleming

Signed: Garry Wheat Date: 11-10-11  
Garry Wheat



## ATTACHMENT D



10/19/2011

### Waste Stream Approval Letter

MEMPHIS LIGHT GAS AND WATER - NORTH  
SERVICE CENTER  
1060 TUPELO STREET  
MADISON, TN 38108  
TN0037789082

### TRADEBE

TRADEBE TREATMENT AND RECYCLING, LLC

Dear KERRY ROY

Tradebe Treatment and Recycling, LLC wishes to inform you that the waste stream below has been approved for shipment into Tradebe Treatment and Recycling, LLC:

#### Regulatory Information

Waste Stream #:	12078	WASTE GASOLINE AND DIESEL MIX
Billing Code:	LF	
D. O. T. Shipping desc:	UN1993 FLAMMABLE LIQUIDS, N.O.S. (GASOLINE, DIESEL) 3 II RQ (100LBS)	
Erg No:	128	
RCRA Codes:	NONE	
EPA Management Method Code:	H081	
Pricing:	\$63.00 per 55 Gallon Drum	

Energy Assessment: A 0.00% Energy Assessment will be added to all non-transportation Invoice line items.  
Rejection Charge: Waste that does not conform to the approved profile or Tradebe Treatment and Recycling, LLC's other acceptance requirements shall be subject to an additional charge of \$300 per drum, or if shipped in bulk, per manifest, and such non-conforming waste will be processed or returned to you at Tradebe Treatment and Recycling, LLC's sole option.

Terms: Net 30 days. Pricing and approval parameters subject to change.

In accordance with 40 CFR 264.12 "Required Notice" and State(s) equivalent regulations, Tradebe Treatment and Recycling, LLC is informing the waste Generator that Tradebe Treatment and Recycling, LLC's companies have the appropriate permit(s) for the above listed waste stream and will accept the waste stream as described by the Generator/Broker, including but not limited to the certification in the Generator's Waste Profile Submittal Report. This waste stream approval was founded on the information that the Generator/Broker provided pursuant to the Generator's compliance with 40 CFR 262.11 "Hazardous Waste Determination" and/or their State's regulatory equivalent. If at any time the waste is found to contain constituents, properties, or concentrations inconsistent with the information supplied by the Generator/Broker, title to such waste shall not pass to Tradebe Treatment and Recycling, LLC, and, in addition to the Rejection Charge described above, you shall be liable for all direct, indirect, and consequential damages incurred by Tradebe Treatment and Recycling, LLC as a result of non-conforming waste. Tradebe Treatment and Recycling, LLC reserves the right, in its sole discretion, to utilize processes within RCRA environmental standards alternate to the billing code stated above to process the waste listed on this approval letter. No Purchase Order shall abrogate the terms of this Waste Stream Approval Letter.

To facilitate the expedited receipt and processing of the above waste, Tradebe Treatment and Recycling, LLC requires that the above listed Waste Stream Number appear on each shipping document (Block 14 of the UHW manifest), and on each container (top and side).

As a final condition of Tradebe Treatment and Recycling, LLC's acceptance, this approval letter must be signed and returned to Tradebe Treatment and Recycling, LLC. This waste stream will not be valid for scheduling or acceptance at any Tradebe Treatment and Recycling, LLC facility until a signed form is on file.

I agree with the terms as stated above and I certify that the information contained herein is accurate and in accordance with a system designed to assure that qualified personnel have properly gathered and evaluated the information submitted and that I am an authorized agent of the Generator:

BY: Kerry Roy

DATE: 10-19-11

R: 10/2008

Tradebe Treatment and Recycling of TN, LLC.  
5485 Victory Lane, Millington, TN 38053  
Ph: 888-742-8368/Fax: 901-353-9471

RESPONSIBLE™  
RECYCLING

A commitment to our generators,  
our employees, and our community.



**WASTE EXCLUDED FROM THE DEFINITION OF A SOLID WASTE**  
**Tennessee Rule 1200-1-11-.10(1)(g)1(vii)\***

**NOTICE TO FILE**

Generator: North Service Center  
Address: 1060 Tupelo Street  
Memphis, TN 38133  
EPA ID#: TND987789062

Regarding the following waste stream: Off-Spec Fuel (Gasoline and/or Diesel)

Generation Process: Fuel is drained from tanks, either on vehicles or on tools, prior to maintenance work.

Waste Codes at point of generation: D001, D018 (Benzene)

Generations Rate: Generation rate will vary with workload. It can be estimated at one 55-gallon drum per month.

If this waste were land disposed as hazardous waste, it would be subject to the LDR standards of Tennessee Rule 1200-1-11-.10 (40 CFR Part 268).

This waste stream is not subject to land disposal restrictions because, subsequent to the point of generation, it is excluded:

From the definition of "solid waste" by Rule 1200-1-11-.02(b)3(ii) or 40 CFR 261.2(c)2(ii)

From the definition of "hazardous waste" by Rule 1200-1-11-\_\_\_\_\_

From Subtitle C Regulations by Rule 1200-1-11-\_\_\_\_\_

The ultimate disposition of this waste is: the material is fuel blended and then burned for energy recovery.

**\*A "one-time" notice must be placed in the facility's file for any land disposal restricted waste which becomes excluded from regulation after the point of generation.**



# ATTACHMENT E

Please print or type. (Form designed for use on elite (12-pitch) typewriter.)

Form Approved. OMB No. 2050-0039

<b>UNIFORM HAZARDOUS WASTE MANIFEST</b>		1. Generator ID Number	2. Page 1 of	3. Emergency Response Phone	4. Manifest Tracking Number	<b>JJK</b>	
5. Generator's Name and Mailing Address		Generator's Site Address (if different than mailing address)					
Generator's Phone:							
6. Transporter 1 Company Name		U.S. EPA ID Number					
7. Transporter 2 Company Name		U.S. EPA ID Number					
8. Designated Facility Name and Site Address		U.S. EPA ID Number					
Facility's Phone:							
GENERATOR	9a. HM	9b. U.S. DOT Description (including Proper Shipping Name, Hazard Class, ID Number, and Packing Group (if any))	10. Containers	11. Total Quantity	12. Unit Wt/Vol	13. Waste Codes	
			No.	Type			
		1. HAZARDOUS WASTE, AMBULATORY, SOLID, A.W.D. (SOLID WASTE), HAZARDOUS	1	DR	100		HAZARDOUS WASTE
		2. NON-FLAMMABLE LIQUID, CORROSIVE, A.W.D. (LIQUID WASTE), HAZARDOUS	1000	DR	30		HAZARDOUS WASTE
		3. NON-FLAMMABLE LIQUID, CORROSIVE, A.W.D. (LIQUID WASTE), HAZARDOUS	1000	DR	30		HAZARDOUS WASTE
4. Special Handling Instructions and Additional Information							
15. GENERATOR'S/OFFEROR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by the proper shipping name, and are classified, packaged, marked and labeled/placarded, and are in all respects in proper condition for transport according to applicable international and national governmental regulations. If export shipment and I am the Primary Exporter, I certify that the contents of this consignment conform to the terms of the attached EPA Acknowledgment of Consent. I certify that the waste minimization statement identified in 40 CFR 262.27(a) (if I am a large quantity generator) or (b) (if I am a small quantity generator) is true.							
Generator's/Offeror's Printed/Typed Name		Signature		Month		Day Year	
16. International Shipments		<input type="checkbox"/> Import to U.S.		<input type="checkbox"/> Export from U.S.		Port of entry/exit	
Transporter signature (for exports only):		Date leaving U.S.:					
TRANSPORTER	17. Transporter Acknowledgment of Receipt of Materials						
	Transporter 1 Printed/Typed Name	Signature		Month		Day Year	
TRANSPORTER	18. Discrepancy						
	18a. Discrepancy Indication Space <input type="checkbox"/> Quantity <input type="checkbox"/> Type <input type="checkbox"/> Residue <input type="checkbox"/> Partial Rejection <input type="checkbox"/> Full Rejection						
GENERATED FACILITY	18b. Alternate Facility (or Generator)		Manifest Reference Number:		U.S. EPA ID Number		
	Facility's Phone:						
	18c. Signature of Alternate Facility (or Generator)		Month		Day Year		
19. Hazardous Waste Report Management Method Codes (i.e., codes for hazardous waste treatment, disposal, and recycling systems)							
20. Designated Facility Owner or Operator. Certification of receipt of hazardous materials covered by the manifest except as noted in Item 18a							
Printed/Typed Name		Signature		Month		Day Year	



## ATTACHMENT F

(2/21/2012) Kerry Roy - EPA inspections

Page 1

**From:** Ronnie Hawley  
**To:** Roy, Kerry  
**CC:** Laxton, Tamela; Sawyer, Victor  
**Date:** 2/21/2012 8:39 AM  
**Subject:** EPA inspections

Kerry,

Please be advised of my actions regarding the recent EPA inspection of our paint locker area.

1) I feel I must take responsibility for the overall lack of consistency in the inspections that led to the gaps in reporting. I had no weekly schedule established, relying instead on one of my Inspectors to remember the task. My fault, and it has been corrected with a printed schedule for the year.

2) When the need for the inspection arose I had one Inspector volunteer for the job. Naturally, I assigned them the task without thinking about the times that Inspector might be off. There was no backup, that has been resolved. The duty is now shared between both my Inspectors and two locators that WOC (work out of class) as Inspectors when needed.

3) Your last inspection revealed that we were not doing as thorough a job as we thought with our reporting, i.e. unlabeled paint thinner, unknown rusted paint can. I have reissued your original guidelines and reviewed them with my Inspectors to insure a better understanding of what is expected.

4) My locators are at the paint locker daily and I have instructed them to bring to our attention any out of compliance items in the area so we can address them immediately as opposed to relying on a once a week inspection.

Again, I apologize for not taking the care needed to ensure proper reporting was taking place from the beginning and I believe the above mentioned steps will bring the desired results in the future.

Thanks,

Ronnie Hawley  
General Foreman, Facilities Location  
Distribution Support  
rhawley@mlgw.org



**MLGW waste management standards**

MLGW's Environmental Affairs department is striving to improve company-wide waste management standards. This information is intended to increase employee awareness and instill a sense of accountability to the environment, the community, and the company.

No waste reduction program is successful without the full cooperation of all employees. Employees are encouraged to develop the following good-housekeeping habits:

- \*Perform an annual inventory of products you have stored in your area. Notify Environmental Affairs when you find expired products or products that are no longer used in your area. Do not discard the items without first consulting with Environmental Affairs!
- \*Walk through your area every week to familiarize yourself with what is stored on-site.
- \*Ensure that your containers are in good condition to minimize leaks and spills. Look for rust and other signs of deterioration.
- \*Maintain adequate aisle space between larger containers and/or parts.
- \*Stop, contain and manage leaks or spills immediately.
- \*If you plan to reuse empty containers, store them in a covered area. Empty drums should be sealed and stored on their sides to prevent rain water from infiltrating into the drum.
- \*Notify Environmental Affairs if you see any "mystery" containers in your area.
- \*Ensure that all container labeling is reflective of the contents.

For further information or assistance, please contact Kerry Roy at 528-4194 or via email at [kroy@mlgw.org](mailto:kroy@mlgw.org).

**MLGW Honors our Veterans**

Employees who have served in the armed forces are invited to attend a reception in their honor on Thursday, Nov. 10 at 2 p.m. in the Administration Building. Please RSVP by Nov. 4 to 528-4245 or 528-4324. Please see attachment.



### General Housekeeping Checklist

Facility: \_\_\_\_\_

Date: \_\_\_\_\_

Area Name: \_\_\_\_\_

Area #: \_\_\_\_\_

Area Contact: \_\_\_\_\_

Ph #: \_\_\_\_\_

Supervisor: \_\_\_\_\_

Container Management		YES	NO	NA
1	Is the work area and equipment in a clean, neat and orderly condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Are work areas, stairways, doors and aisles clear of obstructions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Are chemicals used and stored in their original or approved containers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Are containers properly identified?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Are labels clearly visible and legible?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Are containers in good condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Are containers properly closed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Are any containers leaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Are chemical containers clean with no visible outside contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Are there any abandoned chemicals or expired chemicals in the work place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Actions Needed: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Area Contact \_\_\_\_\_ Date \_\_\_\_\_

Inspector \_\_\_\_\_ Date \_\_\_\_\_





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

FEB 02 2012

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Kerry R. Roy  
Memphis Light, Gas and Water Division  
Environmental Affairs  
220 S. Main Street  
Memphis, Tennessee 38103-3917

SUBJ: RCRA Compliance Evaluation Inspection  
Memphis Light, Gas and Water Division-North Service Center  
EPA ID: TND 987 789 062

Dear Ms. Roy:

On October 26, 2011, a Compliance Evaluation Inspection (CEI) was conducted by the U.S. Environmental Protection Agency and the Tennessee Department of Environment and Conservation/Division of Solid and Hazardous Waste Management (TDEC) at the Memphis Light, Gas and Water Division-North Service Center facility in Memphis, Tennessee, to determine the facility's compliance status with the Resource Conservation and Recovery Act (RCRA). This RCRA CEI was an EPA lead inspection.

Enclosed is the EPA RCRA Site Inspection Report which indicates that some deficiencies of RCRA regulations were discovered. A copy of this report has also been forwarded to TDEC.

If you have any questions regarding this matter, please contact Héctor M. Danois, of my staff, by phone at (404) 562-8556 or by email at [danois.hector@epa.gov](mailto:danois.hector@epa.gov).

Sincerely,

Doug McCurry, Chief  
North Enforcement and Compliance Section  
RCRA and OPA Enforcement  
and Compliance Branch

Enclosures

cc: Jason Simpson, TDEC-Memphis Field Office  
Mike Apple, TDEC-Nashville Central Office

Docket No. 762795





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

FEB 02 2012

Mr. Mike Apple, Director  
Division of Solid Waste Management  
Tennessee Department of Environment & Conservation  
Fifth Floor, L & C Tower  
401 Church Street  
Nashville, Tennessee 37243-1535

SUBJ: RCRA Compliance Evaluation Inspection  
Memphis Light, Gas and Water Division-North Service Center  
EPA ID: TND 987 789 062

Dear Mr. Apple:

On October 26, 2011, a Compliance Evaluation Inspection (CEI) was conducted by the U.S. Environmental Protection Agency and the Tennessee Department of Environment and Conservation/Division of Solid and Hazardous Waste Management (TDEC) at the Memphis Light, Gas and Water Division-North Service Center facility in Memphis, Tennessee, to determine the facility's compliance status with the Resource Conservation and Recovery Act (RCRA). This RCRA CEI was an EPA lead inspection.

Enclosed is the EPA RCRA Site Inspection Report which indicates that some deficiencies of RCRA were discovered.

If you have any questions regarding this matter, please contact Héctor M. Danois, of my staff, by phone at (404) 562-8556 or by e-mail at [danois.hector@epa.gov](mailto:danois.hector@epa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Doug C. McCurry".

Doug C. McCurry, Chief  
North Enforcement and Compliance Section  
RCRA and OPA Enforcement  
and Compliance Branch

Enclosure



## RCRA Inspection Report

1) Inspector and Author of Report

Héctor M. Danois  
Environmental Engineer  
RCRA and OPA Enforcement and Compliance Branch  
EPA Region 4, AFC - 10<sup>th</sup> Floor  
61 Forsyth Street  
Atlanta, Georgia 30303  
(404) 562 - 8556

2) Facility Information

Memphis Light, Gas and Water Division-North Service Center  
1060 Tupelo Street  
Memphis, Tennessee 38108  
EPA ID: TND 987 789 062

3) Responsible Official

Kerry R. Roy  
Memphis Light, Gas and Water Division  
Environmental Affairs  
220 S. Main Street  
Memphis, TN 38103-3917

4) Inspection Participants

Kerry R. Roy, Memphis Light, Gas and Water Division  
Jason Simpson, DSWM - Memphis Field Office  
Héctor M. Danois, EPA Region 4

5) Date of Inspection

October 26, 2011

6) Applicable Regulations

RCRA Sections 3005 and 3007  
40 Code of Federal Regulations (C.F.R.) Parts 260 - 266, 268, 270 and 273  
TN Hazardous Waste Management Act, T.C.A. 68-212 part 1 & 3 and the Used Oil Collection Act of 1993, T.C.A. 68-21.



7) Purpose of Inspection

The purpose of the inspection is to conduct an EPA Compliance Evaluation Inspection (CEI) and determine the facility's compliance status with the Resource Conservation and Recovery Act (RCRA).

8) Facility Description

Memphis Light, Gas and Water (MLG) is a municipal utility, serving nearly 430,000 customers in Shelby County area since 1939. Memphis Light, Gas and Water Division-North Service Center (NSC) is where MLG stores parts of their fleet of trucks and provides supplies to MLG crews. In addition, NSC provides maintenance to their trucks, gas meters and lawn mowers. NSC is registered with the State of Tennessee as a Large Quantity Generator.

9) Findings

On October 26, 2011, Héctor M. Danois with the EPA, along with Jason Simpson with TDEC/DSWM, arrived at the facility. At approximately 9:15 a.m., Mrs. Roy received the inspectors. The inspectors introduced themselves, showed their credentials and explained the purpose of the visit. The following areas were inspected:

**Building 6**

This is the area where NSC provides general vehicle maintenance to their fleet of trucks. The area has a parts washer that uses detergent and hot water. The skimmed oil is stored in a 10-gallon bucket and disposed of as used oil (See Figure 1). At the time of the inspection, the bucket was not labeled. Across from the parts washer, the area has a tear down table where parts are disassembled. The table has a drain where used oil flows into and is collected in a 5-gallon bucket. The bucket was not labeled (See Figure 2).

Building 6 has two lifts and fourteen bays to provide maintenances to their truck fleet. At the time of the inspection, the inspection team found a 15-gallon container storing used oil, as well as an oil filter drain table near the lift area. The container and the drain table were not labeled (See Figure 3 and 4).

***NCS has failed to adhere to 1200-01-11-.11(3)(c)3(i) [40 C.F.R. § 279.22(c)]. This regulation requires that containers and aboveground tanks used to store used oil, fill pipes used to transfer used oil at generator facilities must be labeled or marked clearly with the words "Used Oil."***

Building 6 has a battery room where used batteries are tested and stored for disposal. At the time of the inspection, the area was not storing used batteries. The inspection team suggested designating an area to store universal waste batteries. Outside Building 6, NCS has a 1,000-gallon underground storage tank storing used oil. The inspection team suggested to NSC to label the top cap of the tank "Used Oil".



The inspection team noticed two 55-gallon satellite accumulation area (SAA) drums, one storing "used gas" and the other storing aerosol cans residue. The drums were closed and labeled. Additionally, the team found two 55-gallon drums of used oil. The drums were labeled.

### **Garage Hazardous Waste Storage Area**

NCS has a metal cabinet used as hazardous waste storage area, located outside Building 6. At the time of the inspection the cabinet was empty.

### **Building 8**

Building 8 or Gas Meter Shop is where NCS repairs and rebuilds gas meters. At the time of the inspection, the area was storing a 55-gallon drum of used batteries. The container was labeled.

The area had a paint booth for the painting of the meters. Filters are disposed of as a Special Waste. Near the paint booth, the inspection team found a flammable cabinet. Inside the cabinet the operator keeps a 1-gallon container of spent solvent. The container was not dated nor labeled.

*NCS has failed to adhere to a condition for exemption from RCRA § 3005 given in 1200-01-11-.03(4)(e)6(iv)(I)[40 C.F.R. § 262.34(a)(2)]. This regulation requires hazardous waste generators to clearly mark each hazardous waste container with the accumulation start date. As such, the facility is illegally storing hazardous wastes in violation of RCRA § 3005.*

*NCS has failed to adhere to a condition for exemption from RCRA § 3005 given in 1200-01-11-.03(4)(e)6(v)[40 C.F.R. § 262.34(a)(3)]. This regulation requires hazardous waste generators to clearly mark each hazardous waste container with the accumulation start date. As such, the facility is illegally storing hazardous wastes in violation of RCRA § 3005.*

### **Building 5**

Building 5 or Tool Room is where NCS has their small engineer repair shop. At the time of the inspection, the area was storing two 30-gallon drums of Universal Waste Batteries. The containers were labeled. Outside the building and inside a metal cabinet, NCS was storing a 55-gallon SAA drum that was labeled but the top funnel was open.

*NCS has failed to adhere to a condition for exemption from RCRA § 3005 given in 1200-01-11-.03(4)(e)5(i)(II)[40 C.F.R. § 262.34(c)(1)(ii)]. This regulation requires satellite accumulation containers to be marked either with the words "hazardous waste" or with other words that identify the contents of the containers. As such, the facility is illegally storing wastes in violation of RCRA § 3005.*



## **Parts Storage**

Located outside Building 5, Part Storage is where NCS stores some equipment parts. At the time of the inspection, the inspection team found two 55-gallon drums labeled hazardous waste. One drum was empty and the other drum was closed, half-full but without a description of the material inside the drum. The drum was not dated (See Figure 5). NCS did not know what was in the drum. On December 2, 2011, NCS management emailed the EPA and TDEC explaining that after the CEI, the drum was opened and it was determined to be 99% water and 1% used oil/kerosene blend. The material was going to be disposed of as non-hazardous waste. Additionally, there were no records of weekly inspections performed in this area.

***NCS has failed to adhere to a condition for exemption from RCRA § 3005 given in 1200-01-11-.03(4)(e)6(iv)(I)[40 C.F.R. § 262.34(a)(2)]. This regulation requires hazardous waste generators to clearly mark each hazardous waste container with the accumulation start date. As such, the facility is illegally storing hazardous wastes in violation of RCRA § 3005.***

***NCS has failed to adhere to a condition for exemption from RCRA § 3005 given in 1200-01-11-.05(9)(e)[40 C.F.R. § 265.174], as incorporated by 40 C.F.R. § 262.34(a)(1)(i). This regulation requires the facility to inspect containers of accumulated hazardous waste for leaks and deterioration on a weekly basis. As such, the facility is illegally storing wastes in violation of RCRA § 3005.***

## **Small Engine Shop**

This is the area where NCS repairs and maintains small engine equipment. At the time of the inspection the area was storing a 5-gallon bucket of drained gas. The bucket was labeled hazardous waste but open.

***NCS has failed to adhere to a condition for exemption from RCRA § 3005 given in 1200-01-11-.05(9)(d)(1)[40 C.F.R. § 265.173(a)], as incorporated by 1200-01-11-.03(4)(e)5(i)(I)[40 C.F.R. § 262.34(c)(1)(i)]. This regulation requires the satellite accumulation containers to be closed except when it is necessary to add or remove waste. As such, the facility is illegally storing wastes in violation of RCRA § 3005.***

## **Building 4**

Building 4 or Spill Crew building is where NCS stores contaminated debris from spill responses (oils, PCBs, etc.) around the county. In a small open metal building, the inspection team found twelve 55-gallon drums storing oil spill media, two 7-gallon containers and 1-gallon container storing some kind of oil. The containers were not labeled (See Figure 6).

***NCS has failed to adhere to 1200-01-11-.11(3)(c)3(i) [40 C.F.R. § 279.22(c)]. This regulation requires that containers and aboveground tanks used to store used oil, fill***



*pipes used to transfer used oil at generator facilities must be labeled or marked clearly with the words "Used Oil."*

Next to the small building, the inspection team found a locked metal storage building. At the time of the inspection, the building was storing six 55-gallon drums marked PCB contaminated media and four capacitors (See Figure 7). The drums were dated February 14, 2006; June 6, 2006 (3 drums); April 7, 2004; and April 7, 2006.

### **Locator Area**

The Locator Area is where lines (gas, water, electrical) locator operators dispose of empty aerosol paint cans. NCS uses a roll-off as a hazardous waste storage area. At the time of the inspection, the inspection team saw a roll-off full of aerosol cans. The roll-off was closed, labeled hazardous waste and dated September 19, 2011.

NCS explained that after the cans are collected they are puncture and the residue stored in a 55-gallon drums. The inspection team found two 55-gallon drums of aerosol can residue. The drums were labeled and dated July 19, 2011 and October 17, 2011. It appears that the operator in the area starts a new drum date when the operator starts to puncture the aerosol cans from the roll-offs. The inspection team suggested the hazardous waste storage time limit for the paint waste accumulated in the 55-gallon drums should begin when an aerosol can is placed in the roll-off, as opposed to the date the can is being punctured.

### **Building 2**

Building 2 or Store Room is where NCS stores the supplies for use around the NCS. At the time of the inspection, the area was storing six 55-gallon drums of Universal Waste Lamps. The drums were closed and labeled.

### **Building 1**

Building 1 or Administration Room is where NCS stores Universal Waste Batteries. At the time of the inspection, the area was storing two 55-gallon drums of alkaline batteries. The drums were closed and labeled.

### **Building 3**

Building 3 or All Services Center is where MLG stores the supplies for use around all MLG facilities. At the time of the inspection the area was storing a SAA 55-gallon drum aerosol can puncture. The drum was closed and labeled.

### **Recordkeeping**

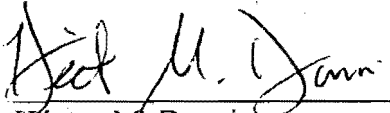
At the time of the inspection, NCS was inspected as a Small Quantity Generator (SQG). Documents and records reviewed during the inspection were; manifest, training, hazardous reduction plan, annual report and weekly inspections. At the time of the



inspection, the inspection team noticed a significant number of weekly inspection not conducted at the Locator Area and the Garage Storage Area.

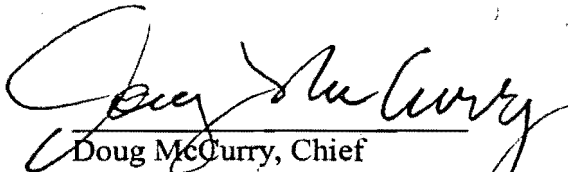
***NCS has failed to adhere to a condition for exemption from RCRA § 3005 given in 1200-01-11-.05(9)(e)[ 40 C.F.R. § 265.174], as incorporated by 40 C.F.R. § 262.34(a)(1)(i). This regulation requires the facility to inspect containers of accumulated hazardous waste for leaks and deterioration on a weekly basis. As such, the facility is illegally storing wastes in violation of RCRA § 3005.***

10) Signed

  
Héctor M. Danois  
Environmental Engineer

1-17-12  
Date

11) Concurrence

  
Doug McCurry, Chief  
North Enforcement and Compliance Section  
RCRA and OPA Enforcement and Compliance Branch

2/1/12  
Date

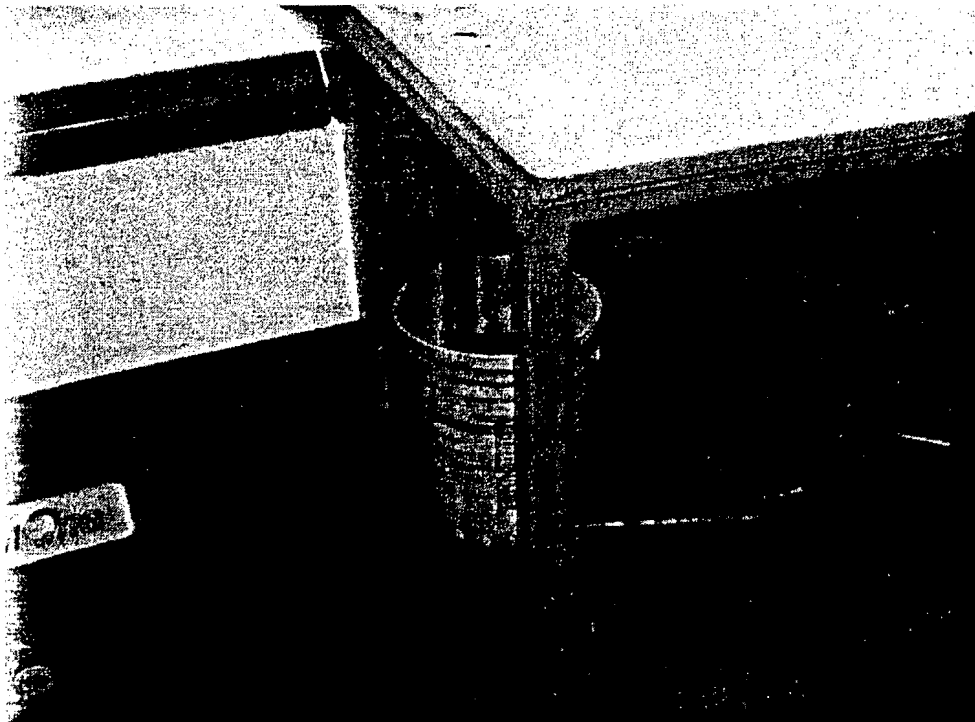


## Attachment A – Photo Log





**Figure 1 - Used oil bucket from parts washer**



**Figure 2 - Used oil bucket from tear-down table**





**Figure 3 - Used oil container from lift bay areas**



**Figure 4 - Used oil filter table**





Figure 5 - 55-gallon drums stored at the Part Storage Area



Figure 6 - Used oil containers





**Figure 7 - 55-gallon drums storing PCB contaminated media and PCB capacitors**





**MLGW** MEMPHIS LIGHT, GAS AND WATER DIVISION

**VIA: FEDERAL EXPRESS**

October 22, 2008

Mr. Robert Caplan, Esq.  
U. S. Environmental Protection Agency  
Sam Nunn Federal Building – 13th Floor  
61 Forsyth Street  
Atlanta, GA 30303

**RE: Docket No. TSCA 04-2009-2600**

Dear Bob:

I have enclosed the Consent Agreement and Final Order in the above-styled  
Docket, which has been signed on behalf of Memphis Light, Gas and Water Division.

Sincerely,

Charlotte Knight-Griffin  
Manager – Legal Services

CKG/pl

Enclosures





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

NOV 05 2008

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Charlotte Knight Griffin  
Legal Services  
Memphis Light, Gas and Water Division  
220 South Main Street  
Memphis, TN 38103

SUBJ: Docket No. TSCA-04-2009-2600(b)  
MLGW

Dear Ms. Griffin:

Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk and served on the parties pursuant to section 22.6 of the Consolidated Rules of Practice, 40 C.F.R. Part 22.

Pursuant to section 37 of the CAFO, the assessed penalty of \$1,220,576.00 is due within 30 days after the effective date of the CAFO. Please ensure that the face of your cashier's or certified check includes the name of the company and the docket number of this case. Penalty payment questions should be directed to Ms. Lori Weidner either by telephone at (513) 487-2125 or by written correspondence to her attention at U.S. Environmental Protection Agency (EPA), Cincinnati Accounting Operations address identified in the CAFO.

EPA looks forward to receiving MLGW's periodic reports on its progress in conducting the Supplemental Environmental Project (SEP) required by the CAFO. Should you have any questions about this matter or your compliance status in the future, please call me at (404) 562-8979 or Raj Aiyar at (404) 562-8993.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeaneanne M. Gettle".

Jeaneanne M. Gettle  
Chief  
Pesticides and Toxic  
Substances Branch

Enclosure(s)



UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
ATLANTA, GEORGIA

In the Matter of: )

Memphis Light, Gas & Water Division )

Respondent. )  
\_\_\_\_\_ )

Docket No. TSCA-04-2009-2600

RECEIVED  
EPA REGION 4  
ATLANTA, GA

2009-05-11 12:09

RECEIVED  
EPA REGION 4  
ATLANTA, GA

**CONSENT AGREEMENT AND FINAL ORDER**

**I. Nature of the Action**

1. This is a civil penalty proceeding pursuant to Section 16(a) of the Toxic Substances Control Act (TSCA), 15 U.S.C. § 2615(a), and pursuant to the Consolidated Rules of Practice Governing Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. Part 22. Complainant is the Director of the Air, Pesticides, and Toxics Management Division, United States Environmental Protection Agency, Region 4 (EPA). Respondent is Memphis Light, Gas & Water Division.
2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18 and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. § 22.13(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.



## **II. Preliminary Statements**

3. The Administrator of EPA promulgated rules pertaining to Polychlorinated Biphenyls (PCBs) in 40 C.F.R. Part 761, pursuant to Section 6(e) of TSCA, 15 U.S.C. § 2605. Failure to comply with any such rule constitutes a violation of Section 15 of TSCA, 15 U.S.C. § 2614. Any person who violates a provision of Section 15 of TSCA may be assessed a penalty of up to \$27,500 for each such violation occurring between January 30, 1997, and March 15, 2004, in accordance with Section 16(a) of TSCA and 40 C.F.R. Part 19, as amended. For each such violation occurring after March 15, 2004, a penalty of up to \$32,500 may be assessed. Each day a violation continues may constitute a separate violation.
4. The authority to take action under Section 16(a) of TSCA, 15 U.S.C. § 2615(a), is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under TSCA to EPA Region 4 by EPA Delegation 12-2-A, dated May 11, 1994.
5. This CAFO shall apply to and be binding upon Respondent, its officers, directors, employees, successors and assigns, and subsequent purchasers.
6. Pursuant to 40 C.F.R. § 22.5(c)(4) the following individual represents EPA in this matter and is authorized to receive service for EPA in this proceeding:

Raj Aiyar  
PCB and Chemical Products  
Management Section  
U.S. EPA Region 4  
61 Forsyth Street  
Atlanta, Georgia 30303-8960  
(404) 562-8993

## **III. EPA's Findings of Fact and Allegations of Violations**

7. Respondent is a large municipal utility that provides electricity, natural gas and water service to more than 420,000 customers in Memphis, TN and Shelby County, TN.



8. Respondent is a user of PCB Items operating in the State of Tennessee and is a "person" as defined in 40 C.F.R. § 761.3. PCB Items, as defined in 40 C.F.R. § 761.3, includes, but is not limited to, any PCB Equipment, or anything that deliberately or unintentionally contains or has as a part of it any PCB or PCBs.
9. On October 26 and November 8, 2005, State of Tennessee Department of Environment and Conservation (TDEC) inspectors, as authorized representatives of EPA, conducted inspections at Respondent's Central Shops located at 703 Beale Street in Memphis, Tennessee to determine compliance with the PCB regulations promulgated under Section 6(e) of TSCA. On March 6, 2006, TDEC inspectors conducted additional TSCA PCB compliance inspections at Respondent's facilities identified as: Substation 1, located at 1642 East Person Avenue in Memphis, Tennessee; Substation 3, located at 542 South Third Street in Memphis, Tennessee; and Substation 4, located at 67 Jackson Avenue in Memphis, Tennessee. Based on the findings of TDEC's inspections, EPA has determined that Respondent violated the TSCA PCB regulations at the Central Shops and Substations 1, 3, and 4 as described more fully below.
10. PCB Disposal Violations - Central Shops
  - a. The Central Shops is a maintenance and repair facility where electrical equipment is serviced, repaired, and/or taken out of service for disposal. Operations at the Central Shops include the draining of oil from electrical equipment including "PCB Transformers" (containing  $\geq 500$  ppm PCBs), "PCB-Contaminated Transformers" (containing  $\geq 50$  ppm but  $< 500$  ppm PCBs), and "Non-PCB Transformers" (containing  $< 50$  ppm PCBs).



- b. Until 2006, Respondent's routine practice and procedure was to mix together in one 500-gallon common tank inside the Central Shops the oil drained from transformers containing  $\geq 50$  ppm PCBs with oil drained from transformers containing  $< 50$  ppm PCBs, without taking into account the PCB concentration of the oil from each piece of equipment. The blended, commingled, and diluted oil from the 500-gallon common tank was further processed and pumped outside the Central Shops into two 6,000-gallon storage tanks and eventually sold to facilities that burned the oil for energy recovery, but were not licensed or approved to incinerate or otherwise dispose of PCB oils.
- c. Pursuant to 40 C.F.R. § 761.60(a), PCB liquids that contain  $\geq 50$  ppm PCBs but  $< 500$  ppm PCBs must be disposed in a high efficiency boiler or a TSCA incinerator and PCB liquids containing  $\geq 500$  ppm PCBs must be incinerated in a TSCA incinerator pursuant to 40 C.F.R §§ 761.70 and 71.
- d. Pursuant to 40 C.F.R. § 761.20(e)(2)(ii), if any PCBs at a concentration of  $\geq 50$  ppm have been added to a common container, then the total container contents must be considered as having a PCB concentration of  $\geq 50$  ppm for purposes of complying with the disposal requirements found at 40 C.F.R. § 761.60.
- e. By mixing and diluting oil containing PCBs at concentrations  $\geq 50$  ppm into a tank with oil containing PCBs at concentrations  $< 50$  ppm and by selling the oil for energy recovery, Respondent violated the following PCB disposal regulations:



- f. 40 C.F.R. § 761.1(b)(5). No person may avoid any provision specifying a PCB concentration by diluting the PCBs, unless otherwise specifically provided. Respondent violated this provision by diluting thousands of gallons of oil containing  $\geq 50$  ppm PCBs into the common tank with oil containing  $< 50$  ppm PCBs, and failing to properly dispose of the oil.
- g. 40 C.F.R. § 761.50(b)(1). Any person removing PCB liquids from use must dispose of them in accordance with 40 C.F.R. § 761.60(a), which requires that PCB liquids at concentrations  $\geq 50$  ppm must be disposed in an incinerator which complies with 40 C.F.R. § 761.70, except that mineral oil dielectric fluids with PCB concentrations  $\geq 50$  ppm and  $< 500$  ppm may be disposed in a high efficiency boiler pursuant to 40 C.F.R. § 761.71(a). Respondent violated these requirements by selling hundreds of thousands of gallons of diluted PCB oil deemed by law to contain  $\geq 50$  ppm PCBs to a facility that burned the oil for energy recovery, rather than sending the oil to a TSCA approved incinerator or a high efficiency boiler.
- h. 40 C.F.R. § 761.20(e)(2)(ii). Under 40 C.F.R. § 761.20(e)(2)(ii), if any PCBs at a concentration  $\geq 50$  ppm have been added to a container, then the total container contents must be considered as having a PCB concentration  $\geq 50$  ppm for purposes of complying with the disposal requirements of 40 C.F.R. §§ 761.60, 761.70 and 761.71. Respondent violated these provisions for many years by diluting and mixing together in the common tank many thousands of gallons of oil with PCB concentrations  $\geq 50$  ppm with oil containing  $< 50$  ppm PCBs, and by failing to treat the entire contents as containing PCBs  $\geq 50$  ppm and disposing of it accordingly.



- i. 40 C.F.R. § 761.60(g)(1)(i) and 40 C.F.R. § 761.60(g)(1)(ii). Under 40 C.F.R. § 761.60(g)(1)(i) dielectric fluid removed from mineral oil electrical equipment may be collected in a common container, however, the oil may not be diluted. Mineral oil that is known or assumed to contain  $\geq 50$  ppm PCBs may not be mixed with mineral oil that is known or assumed to contain  $< 50$  ppm PCBs to reduce the concentration of PCBs in the common container. If such mixing and dilution occurs, the entire contents of the common container must be treated as if it contains  $\geq 50$  ppm PCBs and disposed in accordance with 40 C.F.R §§ 761.60, 761.70 and 761.71. Under 40 C.F.R. § 761.60(g)(1)(ii), if any PCBs at a concentration  $\geq 500$  ppm have been added to a common container, then the total container contents must be considered as having a PCB concentration of  $\geq 500$  ppm and must be disposed by incineration in a PCB incinerator pursuant to 40 C.F.R. § 761.70. Respondent violated these provisions for many years by diluting and mixing together in the common tank many thousands of gallons of oil with PCB concentrations  $\geq 50$  ppm and  $\geq 500$  ppm with oil containing  $< 50$  ppm PCBs, and by failing to treat the entire contents as containing PCBs  $\geq 50$  ppm and  $\geq 500$  ppm and disposing of it accordingly.

11. PCB Storage, Marking, Recordkeeping, and Marketing Violations - Central Shops

- a. Section 6(e)(3)(A) and (B) of TSCA and 40 C.F.R. § 761.20(c). Sections 6(e)(3)(A) and (B) of TSCA, 15 U.S.C. §§ 2605(e)(3)(A) and (B), and 40 C.F.R. § 761.20(c) prohibit persons from operating as used oil marketers and processing and distributing PCB oils without an exemption. Respondent violated these provisions by selling PCB oils generated at the Central Shops without an exemption to a facility that burned oil for energy recovery.



- b. 40 C.F.R. § 761.65(b)(1)(ii). Owners and operators of any facilities used for the storage of PCBs and PCB Items designated for disposal shall comply with certain storage unit requirements including having an adequate floor that has continuous curbing with a minimum six inch high curb. Respondent violated this requirement by storing the 500-gallon common tank containing PCB liquid located at the Central Shops in an area without a continuous curbing with a minimum six inch high curb.
- c. 40 C.F.R. § 761.65(b)(1)(iii). Owners and operators of any facilities used for the storage of PCBs and PCB Items designated for disposal shall comply with certain storage unit requirements including having no openings that would permit liquids to flow from the curbed area. Respondent violated this requirement by storing the 500-gallon common tank containing PCB liquid located at the Central Shops in an area with an open floor drain.
- d. 40 C.F.R. § 761.65(c)(5). All PCB Items in storage for disposal shall be checked for leaks at least once every 30 days. Records of inspections, maintenance, cleanup and disposal must be maintained in accordance with 40 C.F.R. § 761.180(a) and (b). Respondent violated this requirement by failing to maintain storage records at the Central Shops.
- e. 40 C.F.R. § 761.65(c)(8). Storage containers for liquid PCBs shall have a record that includes for each batch of PCBs the quantity of the batch and the date the batch was added to the container. The record shall also include the date, quantity, and disposition of any batch of PCBs removed from the container.



Respondent violated this requirement by failing to maintain records concerning batches of PCBs added or removed from the 500-gallon common tank and the two 6000- gallon storage tanks located at the Central Shops.

- f. 40 C.F.R. § 761.40(a)(10). Each storage area used to store PCBs and PCB Items for disposal shall be marked as illustrated in Figure 1 in 40 C.F.R. 761.45(a) Respondent violated this requirement by failing to mark the area at the Central Shops where PCBs and PCB Transformers were stored for disposal with the M<sub>L</sub> mark.

- g. 40 C.F.R. § 761.40(a)(1). Each PCB Container shall be marked as illustrated in Figure 1 in 40 C.F.R. § 761.45(a) . Respondent violated this requirement by failing to mark the 500-gallon common tank and the two 6000-gallon storage tanks located at the Central Shops with the M<sub>L</sub> mark.

12. PCB Storage, Marking, Disposal and Recordkeeping Violations - Substations 1, 3, and 4

- a. 40 C.F.R. § 761.65(b). An owner or operator of a PCB Article may store it for reuse in an area which is not designed, constructed and operated in compliance with 40 C.F.R. § 761.65(b), for no more than five years after the date the Article was originally removed from use. Respondent violated this requirement at Substation 1 by storing approximately 528 PCB Capacitors for reuse in an area not in compliance with 40 C.F.R. § 761.65(b) for over five years. Respondent violated this requirement at Substation 4 by storing approximately 257 PCB Capacitors for reuse in an area not in compliance with 40 C.F.R. § 761.65(b) for over five years.



- b. 40 C.F.R. § 761.35(a)(2). The owner or operator of a PCB Article may store it for reuse in an area which is not designed, constructed and operated in compliance with 40 C.F.R. § 761.65(b), for no more than five years, if the owner or operator follows all use and marking requirements and maintains records. Respondent violated this requirement by failing to maintain records concerning approximately 528 PCB Capacitors stored for reuse at Substation 1, and by failing to maintain records concerning approximately 257 PCB Capacitors stored for reuse at Substation 4.
- c. 40 C.F.R. § 761.35(b). The owner or operator of a PCB Article may store it for reuse in an area that does not comply with 40 C.F.R. § 761.65(b) for a period longer than five years, provided that the owner or operator has received written approval from the EPA Regional Administrator for the Region in which the PCB Article is stored. Respondent violated this requirement by storing approximately 528 PCB Capacitors at Substation 1, and 257 PCP Capacitors at Substation 4 for reuse for more than five years without requesting and receiving written approval from the EPA Regional Administrator.
- d. 40 C.F.R. § 761.60(a). PCB liquids at concentrations  $\geq 50$  ppm must be disposed of in an incinerator which complies with 40 C.F.R. § 761.70. Pursuant to 40 C.F.R. § 761.50(a)(4), spills and other uncontrolled discharges of PCBs at concentrations of  $\geq 50$  ppm constitute the disposal of PCBs. The Respondent's Westinghouse Oil Circuit Breaker, serial number 61816818, located in the circuit breaker cabinet number 1269 at Substation 1 was leaking fluid which was analyzed and found to contain  $\geq 500$  ppm PCBs. Respondent violated 40 C.F.R. § 761.60(a) by improperly disposing of PCBs through an uncontrolled discharge.



- e. 40 C.F.R. 761.40(c)(2). All PCB large high voltage capacitors must be individually marked as illustrated in Figure 1 in 40 C.F.R. § 761.45(a) or if one or more PCB large high voltage capacitors are installed in a protected location such as on a power pole, or structure, or behind a fence; the pole, structure or fence shall be marked with the mark M<sub>L</sub>. Respondent violated this requirement by (1) failing to properly mark six cabinets housing approximately 792 large high voltage PCB Capacitors at Substation 1 with the PCB M<sub>L</sub> mark,, (2) failing to properly mark four cabinets housing 864 large high voltage PCB Capacitors at Substation 3 with a legible PCB M<sub>L</sub> mark, and (3) failing to properly mark six cabinets housing approximately 768 large high voltage PCB Capacitors at Substation 4 with a legible PCB M<sub>L</sub> mark.

#### **IV. Consent Agreement**

13. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set forth above and neither admits nor denies EPA's Findings of Fact and Allegations of Violation.
14. Respondent waives its right to a hearing on the allegations contained herein and its right to appeal the proposed final order accompanying the consent agreement.
15. Respondent consents to the assessment of the penalty proposed by EPA and agrees to pay the civil penalty as set forth in this CAFO.
16. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of the PCB regulations under TSCA and 40 C.F.R. Part 761.



17. This CAFO constitutes a settlement by EPA of all claims for civil penalties pursuant to Section 16(a) of TSCA, for the specific violations alleged herein. Except as specifically provided in this CAFO, EPA reserves all other civil and criminal enforcement authorities, including the authority to address imminent hazards. Compliance with this CAFO shall not be a defense to any other actions subsequently commenced pursuant to Federal laws and regulations administered by EPA, and it is Respondent's responsibility to comply with said laws and regulations.
18. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of TSCA.

#### **V. Terms of Settlement**

19. **Payment of Penalty.** Pursuant to 15 U.S.C. § 2615(a), TSCA Section 16(a), and in consideration of the nature of the alleged violations, Respondent's agreement to perform a Supplemental Environmental Project (SEP), and other relevant factors, EPA has determined that an appropriate civil penalty to settle this action is in the amount of **ONE MILLION TWO HUNDRED TWENTY THOUSAND FIVE HUNDRED SEVENTY SIX DOLLARS (\$1, 220,576.00).**
20. Respondent consents to the issuance of this CAFO and consents for purposes of settlement to the payment of the civil penalty as cited in the foregoing paragraph and to the performance of the SEP set forth herein.



21. Performance of SEP. Respondent has agreed to conduct as a SEP over the next three years a Voluntary Accelerated PCB Removal Program that will significantly reduce the number of PCB transformers, PCB-contaminated transformers, PCB Capacitors, and associated PCB oils in its possession that are in use, stored for reuse, or stored for disposal. The three year SEP is part of Respondent's longer term 10-year program to remove from service all PCB equipment that contains regulated amounts of PCBs, and to help achieve an overall reduction of PCBs in use which will decrease the risk for potential adverse environmental and health impacts associated with PCB exposure.
22. Background on Transformers and Capacitors Currently in Service. As of the effective date of this CAFO, Respondent has approximately 110,000 distribution transformers in service, of which approximately 40,841 were manufactured prior to July 2, 1979, including 30,774 overhead (polemount) transformers, 2,245 submersible (underground) transformers, and 7,822 padmount transformers (of which 1,600 are live-front 3-phase padmount transformers). All of these distribution transformers contain mineral oil as the dielectric fluid.
23. Pursuant to 40 CFR 761.2(a)(2), mineral oil-filled transformers which were manufactured prior to July 2, 1979, whose PCB concentration is unknown, and mineral oil-filled transformers whose date of manufacture is unknown, must be assumed to be PCB-contaminated containing  $\geq 50$  ppm PCBs, but  $< 500$  ppm PCBs. All pole-top and pad-mounted distribution transformers manufactured before July 2, 1979, must be assumed to be mineral-oil filled. Although PCBs were reportedly not intentionally added to pre-July 2, 1979 mineral oil distribution transformers, these transformers often became cross-contaminated with PCBs during the manufacturing process and/or during in-house maintenance activities.



24. As of the effective date of this CAFO, Respondent has not sampled or tested any of the distribution transformers currently in service for PCBs. However, Respondent does have historic PCB analytical data for approximately 7,785 pre-July 2, 1979 transformers that were removed from service.
25. The historic data showed that 5.83% of the 7,785 pre-July 2, 1979 transformers (454) contained regulated levels of PCBs; 414 transformers were PCB-contaminated (contained  $\geq 50$  ppm but  $< 500$  ppm PCBs) and 40 transformers were PCB transformers (contained  $\geq 500$  ppm PCBs).
26. Based upon extrapolation of the historic data and the number of "like" distribution transformers currently in service (e.g. same manufacturer, type of transformer, KVA rating, size, date of manufacture), Respondent estimates that approximately 2,242 distribution transformers contain regulated amounts of PCBs ( $\geq 50$  ppm).
27. As of the effective date of this CAFO, Respondent has 5,559 PCB capacitors in service located at Substations 1, 3, 5, 6, 11, 13, 15, 26, 33, 34, and 38.
28. Description of SEP Activities. Respondent shall conduct the following SEP activities (in accordance with the schedule set forth herein and in Attachment A), which the parties agree is intended to secure significant environmental and public health protection.
  - a. Removal and disposal of submersible transformers and live-front 3-phase transformers. Based on historical analytical data, Respondent estimates that 60 of the 2,245 submersible transformers, and 120 of the 1,600 live-front 3-phase padmount transformers contain regulated levels of PCBs. Respondent will remove and dispose of all 180 of these transformers and PCB oils within 3 years after the effective date of this CAFO.



During each year of the 3-year SEP, Respondent shall remove, dispose, and replace 20 submersible transformers and 40 live-front 3-phase padmount transformers and PCB oils. Prior to final disposal, the transformer oil from each transformer will be sampled to determine PCB content, and PCB oils and transformer carcasses will be properly disposed in accordance with the applicable PCB regulations. Respondent also plans to remove and dispose of the remaining 2,185 submersible transformers, and the remaining 1,480 live-front 3-phase padmount transformers within ten years after the effective date of the CAFO.

- b. Sampling of Transformers. Within two years after the effective date of this CAFO, Respondent shall have completed the sampling and analyses of all of the estimated 30,774 energized single-phase overhead transformers and 6,222 single-phase padmount transformers for PCB concentrations. Stage 1 will focus on the group of transformers that have the highest probability of containing regulated levels of PCBs based upon historic analytical data for similar transformers (General Electric, Moloney, and Westinghouse). Stage 2 will include the second group of transformers having a probability of containing regulated levels of PCBs based on historic analytical data (Wagner, Central, Kuhlman) and Stage 3 will include all remaining single-phase overhead and padmount distribution transformers in service.
- c. Removal, Replacement and Disposal of PCB Transformers During Sampling Activities. While the sampling process is ongoing, any PCB transformers found to contain PCBs  $\geq 500$  ppm will be removed from service within seven (7) days after the sampling results are confirmed.



Respondent may also elect to remove from service at any time any PCB-contaminated transformer containing  $\geq 50$  ppm PCBs but less than 500 ppm PCBs.

d. Removal, Replacement, and Disposal of Single-Phase Overhead and Padmount Transformers.

During the second and third years of the SEP, Respondent estimates that it will remove, dispose and replace each year approximately 350 single-phase overhead and padmount transformers containing  $\geq 50$  ppm PCBs but less than 500 ppm PCBs for a total of 700 transformers removed, disposed and replaced during the SEP. This number is estimated because sampling has not yet been conducted and it is currently unknown how many transformers will contain regulated levels of PCBs. Notwithstanding this estimate, within 3 years after the effective date of this CAFO, Respondent will have completed the removal, disposal, and replacement of 40 per cent of the total number of transformers that were identified through the sampling program as containing regulated levels of PCBs. All drained PCB liquids shall have been properly disposed in accordance to 40 C.F.R. § 761.60(a) and the transformer carcasses shall have been properly disposed in accordance with 40 C.F.R. § 761.60(a)(4).

e. Removal, Replacement, and Disposal of PCB Capacitors. Respondent shall within three (3) years of the effective date of this CAFO remove, dispose, and replace approximately 2,859 large high voltage substation PCB Capacitors located in electric Substations (1, 5, 11, 13, 15 and 26) within the City of Memphis, Shelby County as follows:

- (i.) 2009: Substations 1 and 15 – 636 capacitors



- (ii.) 2010: Substations 5 and 13 – 1,400 capacitors
  - (iii.) 2011: Substations 11 and 26 – 823 capacitors
- f. By the completion of the SEP, Respondent shall have removed at least 51% of the estimated total number of PCB Capacitors (5,559) in service.
- 29. Upon completion of the SEP after 3 years, it is estimated that approximately 1,216,309 pounds of PCBs will be removed from the environment through the removal and replacement of at least 2,859 PCB Capacitors, and the removal of at least 180 submersible and live front 3-Phase transformers, and approximately 700 single-phase overhead and padmount transformers. Respondent's SEP is being conducted in accordance with EPA's Final SEP Policy issued April 10, 1998.
- 30. The total expenditure for the SEP shall not be less than Ten Million Ninety-Four Thousand Three Hundred and Ninety Dollars (\$10,094,390). Respondent shall include documentation of the expenditures made in connection with the SEP as part of the SEP Completion Report set forth herein.
- 31. Respondent shall submit the following documentation to Mr. Aiyar at the address listed in paragraph 6 regarding the progress and completion of the SEP:
  - a. During the first year after the effective date of this CAFO, Respondent shall submit a Periodic Report to EPA within thirty (30) days after the end of each four (4) month period, for a total of three reports. During the second and third year of the SEP, Respondent shall submit two Periodic Reports each year within thirty (30) days after the end of every six (6) month period. The Periodic Report shall contain the following information:
    - (i) A detailed description of the status of the SEP, and copies of all analytical sampling data, manifests and shipping records, Certificates of Destruction



- (CDs), an inventory of all PCB Items in service as of the date of the Periodic Report along with copies of invoices and expense reports.
- (ii). A timeline indicating the completion date or the expected completion date for: sampling distribution transformers; analyzing samples collected from distribution transformers for PCBs; and removing, replacing and disposing distribution transformers and PCB capacitors.
- b. Respondent shall submit a final SEP Completion Report to EPA within thirty (30) days after the completion of the SEP. The SEP Completion Report shall contain the following information:
- (i). A detailed description of the SEP as implemented that includes all activities undertaken to complete the SEP as required in paragraph 28 including all information listed in paragraph 31a;
- (ii). an affidavit from an authorized company official, attesting that the SEP has been completed documenting SEP expenditure or explaining in detail any failure to complete or any deviation and/or modification to the SEP;
- (iii.) an inventory of all PCB Items in service at the end of completion of SEP and copies of invoices and expense reports.
32. Failure to submit the SEP Completion Report or any Periodic Report required as set herein above shall be deemed a violation of this CAFO and Respondent shall become liable for stipulated penalties pursuant to paragraph 34 below unless otherwise waived by EPA.
33. Respondent agrees that EPA may inspect Respondent's facilities, including review of all records associated with the SEP project, at any time in order to confirm that the SEP is being undertaken in conformity with the representations made herein.



34. Stipulated Penalties. Failure to comply with any of the terms or provisions of this CAFO relating to the performance of the SEP as described in paragraph 28 above and/or to the extent that the actual expenditures for the SEP do not equal or exceed the cost of the SEP described in paragraph 30 above will be considered a violation of this CAFO for which Respondent shall be liable for stipulated penalties according to the provisions set forth below.

- a. Except as provided in subparagraph (b) immediately below, if the SEP is not completed satisfactorily, Respondent shall pay a stipulated penalty to the United States in the amount of FIVE MILLION TWO HUNDRED TWENTY-EIGHT THOUSAND FIFTEEN DOLLARS (\$5,228,015.00).
- b. If the SEP is not completed satisfactorily, but EPA determines that Respondent has made good faith and timely efforts to complete the SEP and has certified, with supporting documentation, that at least 90 percent of the minimum amount of money which was required to be spent was expended on the SEP, Respondent shall not be liable for any stipulated penalty.
- c. If the SEP is satisfactorily completed, and Respondent spent at least 90 percent of the minimum amount of money required to be spent for the SEP, Respondent shall not be liable for any stipulated penalty.
- d. If the SEP is satisfactorily completed, but the Respondent spent less than 90 percent of the minimum amount of money required to be spent for the SEP, Respondent shall pay a stipulated penalty of FOUR HUNDRED THIRTY SIX THOUSAND SIX HUNDRED FORTY-THREE DOLLARS (\$436,643.00).
- e. For failure to timely submit any Periodic Report required by paragraph 31(a) above, Respondent shall pay a stipulated penalty in the amount of Two Hundred



Fifty Dollars (\$250) for each day the report is late.

- f. For failure to timely submit the final SEP Completion Report required by paragraph 31(b) above, Respondent shall pay a stipulated penalty in the amount of Five Hundred Dollars (\$500) for each day the report is late.
  - g. The determination of whether the SEP has been satisfactorily completed and whether the Respondent has made a good faith, timely effort to implement and complete the SEP shall be in the sole reasonable discretion of EPA.
  - h. Payment of stipulated penalties shall be due not more than fifteen (15) days after receipt of written demand by EPA for such penalties. The method of payment shall be in accordance with the provisions of paragraphs 38 and 39 below.
  - i. In order to achieve the cost of the SEP described in paragraph 30 and/or the minimum spending levels described in subparagraphs (a), (b), (c) and (d) immediately above, Respondent may elect to remove and dispose of PCB equipment which is included in its longer term 10-year program but outside of the SEP. In such case, Respondent shall not be liable for any stipulated penalty.
35. Respondent certifies that, as of the date this CAFO is signed, Respondent is not required to perform any part of the SEP by any federal, state or local law, regulation, permit or order, or by any agreement or grant. Respondent further certifies that it has not received, and is not negotiating to receive, credit for any part of the SEP in any other enforcement action of any kind.
36. Any formal public statement, whether oral or written, made by Respondent making reference to the SEP shall include the following language, "This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for violations of Section 6(e) of TSCA, 15 U.S.C. §



2605."

## **VI. Final Order**

37. Respondent is assessed a civil penalty of **ONE MILLION TWO HUNDRED TWENTY THOUSAND FIVE HUNDRED SEVENTY SIX DOLLARS (\$1, 220,576.00)** which shall be paid within 30 days from the effective date of this CAFO.
38. Respondent shall remit the civil penalty by either a cashier's or certified check made payable to the "Treasurer, United States of America," and shall send the check to the following address by U.S. Postal Service:

U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
PO Box 979077  
St. Louis, MO 63197-9000.

**The check shall reference on its face the name of the Respondent and Docket Number of this CAFO.**

For payment submittal by any overnight mail service (Fed Ex, UPS, DHL, etc.):

U. S. Bank  
1005 Convention Plaza  
Mail Station SL-MO-C2GL  
St. Louis, MO 63101  
Contact: Natalie Pearson (314) 418-4087

39. At the time of payment, Respondent shall send a separate copy of the check and a written statement that the payment has been made in accordance with this CAFO, to each of the following persons at the following addresses:

Regional Hearing Clerk  
U.S. EPA Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960;



Raj Aiyar  
PCB and Chemical Products  
Management Section  
U.S. EPA Region 4  
61 Forsyth Street  
Atlanta, Georgia 30303-8960;  
and

Saundi Wilson  
Office of Environmental Accountability  
U.S. EPA - Region 4  
61 Forsyth Street  
Atlanta, Georgia 30303-8960.

40. Correspondence with Respondent regarding this matter shall be directed to the following persons at the following addresses:

Monica Darby  
Environmental Affairs  
Memphis Light, Gas and Water Division  
220 South Main Street  
Memphis, Tennessee 38103  
(901) 528-4647

and

Charlotte Knight Griffin  
Legal Services  
Memphis Light, Gas and Water Division  
220 South Main Street  
Memphis, Tennessee 38103  
(901) 528-4721

41. Pursuant to 31 U.S.C. § 3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the date of entry of this CAFO, if the penalty is not paid by the date required. A charge will also be assessed to cover the administrative costs, both direct and indirect, of overdue debts.



42. In addition, a late payment penalty charge shall be applied on any principal amount not paid within 90 days of the due date.
43. EPA and Respondent shall bear their own costs and attorney fees in this matter.
44. This CAFO shall be binding upon the Respondent, its successors and assigns.
45. The undersigned representative of the party to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally binds that party to this CAFO.

Remainder of Page Intentionally Left Blank



**VII. Effective Date**

46. The effective date of this CAFO shall be the date on which the CAFO is filed with the Regional Hearing Clerk.

**AGREED AND CONSENTED TO:**

**Respondent:** Memphis Light, Gas & Water Division  
**Docket No.:** TSCA-04-2009-2600

By: [Signature] (Signature) Date: 10/17/08

Name: Jerry R. Collins, Jr. (Typed or Printed)

Title: President & CEO (Typed or Printed)

**Complainant:** U.S. Environmental Protection Agency

By: [Signature]

Date: 10/31/08

Beverly H. Banister  
Director  
Air, Pesticides and Toxics  
Management Division  
61 Forsyth Street  
Atlanta, Georgia 30303-8960

**APPROVED AND SO ORDERED** this 5<sup>th</sup> day of November, 2008.

By: [Signature]  
Susan B. Schub  
Regional Judicial Officer



**CERTIFICATE OF SERVICE**

I hereby certify that on the date set out below, I filed the original and one copy of the foregoing Consent Agreement and Final Order, In the Matter of Memphis Light, Gas and Water Division, Docket Number: TSCA-04-2009-2600, and served a true and correct copy of same to the addressees listed below.

Charlotte Knight Griffin  
Legal Services  
Memphis Light, Gas and Water Division  
220 South Main Street  
Memphis, TN 38103

(via Certified Mail, Return Receipt Requested)

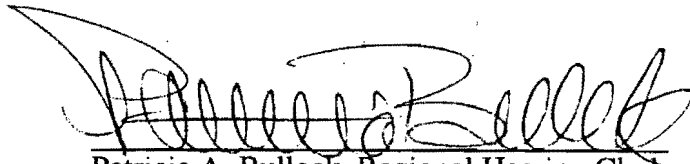
Raj Aiyar  
RCRA/PCB Section  
U.S. EPA - Region 4  
61 Forsyth Street, S.W.  
Atlanta, GA 30303

(via EPA's internal mail)

Robert Caplan  
Office of Environmental Accountability  
U.S. EPA - Region 4  
61 Forsyth Street, S.W.  
Atlanta, GA 30303

(via EPA's internal mail)

Date: 11-5-08



Patricia A. Bullock, Regional Hearing Clerk  
U.S. Environmental Protection Agency  
Region 4  
Atlanta Federal Center  
61 Forsyth St., S.W.  
Atlanta, GA 30303  
(404) 562-9511





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

MAY 07 2007

4APT-PTSB

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Monica Darby  
Facilities & Loss Prevention  
Environmental Affairs  
Memphis Light, Gas & Water  
220 S. Main Street  
Memphis, TN 38101

SUBJ: Memphis Light, Gas & Water  
Consent Agreement and Final Order  
Docket No.: TSCA-04-2007-2738(b)

Dear Ms. Darby:

Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter that has been filed with the Regional Hearing Clerk and served as required in the Consolidated Rules of Practice, 40 CFR § 22.6. Please make note of the provisions in Section V of the CAFO, with respect to payment of the assessed penalty, which is due within 30 days from the effective date of the CAFO.

Also enclosed, please find a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Securities and Exchange Commission (SEC) any environmental enforcement actions taken by EPA. Please note that the contact phone number at the bottom of the Notice has been changed to (202) 551-3470.

If you have any questions, please contact Mary Summers of the EPA Region 4 staff at (404) 562-8997.

Sincerely,

A handwritten signature in cursive script, reading "Joanne Benante".

Joanne Benante  
Chief  
Pesticides and Toxic  
Substances Branch

Enclosures



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4**

IN THE MATTER OF: )  
)  
)

**MEMPHIS LIGHT, GAS & WATER,** )  
)  
)

Respondent. )  
\_\_\_\_\_ )

Docket Number: **TSCA-04-2007-2738(b)**

2007 MAY -7 PM 4:13

**CONSENT AGREEMENT AND FINAL ORDER**

**I. Nature of the Action**

1. This is a civil penalty proceeding pursuant to Section 16(a) of the Toxic Substances Control Act (TSCA), 15 U.S.C. §2615(a), and pursuant to the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), at 40 C.F.R. Part 22. Complainant is the Director of the Air, Pesticides and Toxics Management Division, Region 4, United States Environmental Protection Agency (EPA). Respondent is **Memphis Light, Gas and Water, 220 S. Main Street, Memphis, Tennessee, hereinafter, ("Respondent")**.

2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. §22.18 and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. §22.13(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.

**II. Preliminary Statements**

3. The Administrator of EPA promulgated rules in 40 C.F.R. Part 761, pursuant to Section 6(e) of TSCA, 15 U.S.C. §2605. Failure to comply with any such rule constitutes a violation of Section 15 of TSCA, 15 U.S.C. §2614. Any person who violates Section 15 of TSCA may be assessed a penalty of up to \$27,500 for each such violation, in accordance with Section 16(a) of TSCA, 15 U.S.C. §2615(a). For a violation occurring after March 15, 2004, a penalty of up to \$32,500 may be assessed pursuant to 40 C.F.R. Part 19. Each day a violation continues may constitute a separate violation.



4. The authority to take action under Section 16(a) of TSCA, 15 U.S.C. §2615(a), is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under TSCA to EPA Region 4 by EPA Delegation 12-2-A, dated May 11, 1994.

### **III. Factual Allegations**

5. Respondent is a utility company operating in the State of Tennessee and falls within the definition of "person" pursuant to 40 C.F.R. §761.3.

6. Sometime in June 2006, Respondent called EPA to report a spill. On November 21, 2006, EPA instructed Respondent to proceed with the cleanup of the spill. This cleanup had not been started as of March 1, 2007, violating the following regulation.

7. Respondent had a RTE Transformer, serial number 73600172, manufactured August 17, 1973, with a PCB concentration of 65 ppm that caught fire and resulted in a spill of low-concentration PCBs. On November 21, 2006, EPA Region 4 PCB Coordinator instructed Respondent to proceed with the cleanup, consistent with 40 C.F.R. 761 Subpart G requirements. As of March 1, 2007, Respondent failed to properly dispose of PCB liquid, violating 40 C.F.R. §761.60(a).

### **IV. Consent Agreement**

8. For the purposes of this CAFO, Respondent admits the jurisdictional allegation set out above but neither admits nor denies the factual allegation set out above.

9. Respondent waives its right to a hearing on the allegation contained herein.

10. Respondent consents to the assessment of and agrees to pay the civil penalty as set forth in this CAFO.

11. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of TSCA at this site.

12. Compliance with this CAFO shall resolve the allegations of violations contained herein. This CAFO shall not otherwise affect any liability of Respondent to the United States. Other than as expressed herein, neither EPA nor Complainant waives any right to bring an enforcement action against Respondent for violation of any federal or state statute, regulation or permit, to initiate an action for imminent and substantial endangerment, or pursue criminal enforcement.

13. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of TSCA.



**V. Final Order**

14. Respondent is assessed a civil penalty of Thirty-Two Thousand, Five Hundred Dollars (\$32,500.00) commencing thirty (30) days of the effective date of this CAFO.

15. Respondent shall pay the penalty by forwarding a cashier's or certified check, payable to "Treasurer, United States of America," to the following address:

U.S. Environmental Protection Agency  
Cincinnati Accounting Operations  
Mellon lockbox 371099M  
Pittsburgh, PA 15251-7099.

**The check shall reference on its face the name and the Docket Number of the CAFO.**

If wire transfer of U.S. dollars must be wired to the following address:

Mellon Bank  
SWIFT address = MELNUS3P  
ABA 043000261  
Account 9109125  
22 Morrow Drive  
Pittsburgh, PA 15235

16. At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this CAFO, to the following persons at the following addresses:

Regional Hearing Clerk  
U.S. EPA - Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960;

Mary Summers  
PCB & Chemical Products Management Section  
U.S. EPA - Region 4  
61 Forsyth Street  
Atlanta, Georgia 30303-8960; and

Saundi Wilson  
Office of Environmental Accountability  
U.S. EPA - Region 4  
61 Forsyth Street  
Atlanta, Georgia 30303-8960.



17. For the purposes of state and federal income taxation, Respondent shall not be entitled, and agrees not to attempt, to claim a deduction for any civil penalty payment made pursuant to this CAFO. Any attempt by Respondent to deduct any such payments shall constitute a violation of this CAFO.

18. Pursuant to 31 U.S.C. §3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the date of entry of this CAFO, if the penalty is not paid by the date required. A charge will also be assessed to cover the administrative costs, both direct and indirect, of overdue debts. In addition, a late payment penalty charge shall be applied on any principle amount not paid within 90 days of the due date.

19. Complainant and Respondent shall bear their own costs and attorney fees in this matter.

20. This CAFO shall be binding upon the Respondent, its successors and assigns.

21. The following individual represents EPA in this matter and is authorized to receive service for EPA in this proceeding:

Mary Summers  
PCB & Chemical Products Management Section  
U.S. EPA - Region 4  
61 Forsyth Street S.W.  
Atlanta, Georgia 30303  
(404) 562-8997

22. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally bind that party to it.

#### **VI. Effective Date**

23. The effective date of this CAFO shall be the date on which the CAFO is filed with the Regional Hearing Clerk.



**AGREED AND CONSENTED TO:**

**RESPONDENT:** Memphis Light, Gas & Water  
**DOCKET NUMBER:** TSCA-04-2007-2738(b)

APPROVED.

By:

Date:

Name: Joseph Lee, III (Typed or Printed)

Title: President & CEO (Typed or Printed)

*Charlotte Knight Griffin*  
 CHARLOTTE KNIGHT GRIFFIN  
 MANAGER, LEGAL SERVICES

**COMPLAINANT:****U.S. Environmental Protection Agency**

By:

Date:

*Michael A. Schutt for*  
 Beverly H. Banister  
 Director  
 Air, Pesticides & Toxics  
 Management Division  
 Region 4

APPROVED AND SO ORDERED this 7<sup>th</sup> day of May, 2007.

By:

*Susan B. Schub*  
 Susan B. Schub  
 Regional Judicial Officer



**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing Consent Agreement and Final Order, at Memphis Light, Gas & Water, Docket No. TSCA-04-2007-2738(b) on the parties listed below in the manner indicated:

Mary Summers  
US EPA, Region 4  
Air Division

(Via EPA's Internal Mail)

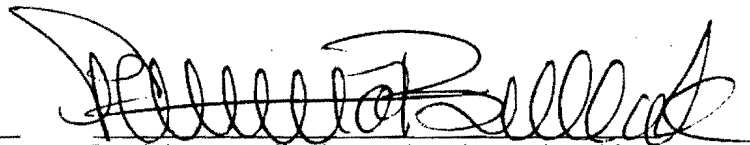
Alan Dion  
US EPA, Region 4  
Office of Environmental Accountability

(Via EPA's Internal Mail)

Ms. Monica Darby  
Facilities & Loss Prevention  
Environmental Affairs  
Memphis Light, Gas & Water  
220 S. Main Street  
Memphis, TN 38101  
[mdarby@mlgw.org](mailto:mdarby@mlgw.org)

(Via Certified Mail, Return Receipt Requested or Electronically)

Date: 5-7-07



Patricia A. Bullock, Regional Hearing Clerk  
United States Environmental Protection Agency  
Region 4  
Atlanta Federal Center  
61 Forsyth Street, S.W.  
Atlanta, GA 30303  
(404) 562-9511



# Memphis Light, Gas and Water Division

Facsimile Transmission Data Sheet

This transmission is 20 pages including this page.

Date: March 23, 2006.

This material is from: Charlotte Knight Griffin  
Memphis Light, Gas and Water Division  
Legal Department  
P.O. Box 430 (Zip - 38101)  
220 South Main Street (Zip - 38103)  
Memphis, Tennessee  
Facsimile Telephone: 901-528-4991 Voice Telephone: 901-528-4721

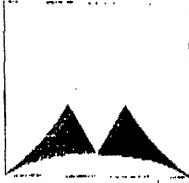
PLEASE DELIVER TO:

Robert Caplan, Esq.  
Tel.: (404) 562-9520  
FAX: (404) 562-9486

MESSAGE:

THE INFORMATION CONTAINED IN THIS FACSIMILE IS OR MAY BE ATTORNEY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. ANYONE SO COOPERATING WILL BE REIMBURSED FOR ANY REASONABLE EXPENSE INCURRED. THANK YOU.





MEMPHIS LIGHT, GAS AND WATER DIVISION

March 23, 2006

Mr. Robert Caplan, Esq.  
EPA  
Via Fax at: (404) 562-9486

Re: 2068 Carr  
Memphis, TN

Dear Bob:

Attached are responses on behalf of Memphis Light, Gas and Water Division to the latest set of questions posed by EPA regarding a transformer leak in the vicinity of the above-referenced address, along with the affidavit of Phillip Clark and supporting exhibits.

Should you have any questions once you have had an opportunity to review the documents, please contact me.

Sincerely,

Charlotte Knight Griffin  
Manager, Legal Services

st



### **EPA Responses**

Question 1: - Did MLGW collect samples at the spill site if so, Please state (a) when the samples were collected (b) Number of samples (c) location of samples. Please us provide us a copy of your lab. data results via fax and hard copy to my attention. Our Fax No.is 404-562-8972.

**Answer 1: MLGW did not collect samples at the spill site.**

Question 2: - Your letters stated that the pole top transformer contained 20 gallon of dielectric fluid and that approximately 1 gallon of oil leaked from the unit. What happened to remaining 19 gallons of oil? The certificate of destruction does not appear to account for 19 gallons of oil. Please provide us records on the disposal of the 19 gallons of oil?

**Answer 2: The oil remaining in the transformer was drained into a bulk storage tank, which was subsequently disposed of as >500 ppm PCB oil. See attached manifests (#51876 and #51877) of shipments to Trans-Cycle Industries, dated December 9, 2005.**

Question 3: - Was the sample or samples collected by MLG&W sent directly to Electrical Power Services Laboratory? If so please explain why the analytical results from the laboratory, show Transformer Decommissioning LLC as the customer and not MLG&W.

**Answer 3: The sample was collected by MLGW and sent directly to Electric Power Services, Inc. MLGW has a contract with Transformer Decommissioning, LLC for analysis and decommissioning of transformers, and pays that company for its services. Transformer Decommissioning LLC, in turn, has a contract with Electric Power Services, Inc for analytical services, and is responsible for payment to that company. Transformer Decommissioning, LLC, has instructed MLGW to ship samples directly to Electric Power Services, Inc., simply to avoid unnecessary handling of the samples.**

Question 4: - Explain the business relationship between MLG&W and Transformer Decommissioning LLC? Does MLG&W send the sample to the laboratory directly or Does MLG&W ship the transformers to Transformer Decommissioning facility and then Transformer Decommissioning LLC collects sample and ships them to the laboratory?

**Answer 4: See Answer #3.**

Question 5: - The packing list identified as chain of custody merely quantifies number of pad transformers and overhead transformers sent to Transformer Decommissioning LLC. The packing list merely shows the number of units shipped to Transformer Decommissioning facility. The records does not appear to have any sampling information on the leaking unit such as number of samples collected, type of sample,



names of individual collecting the sample and the date collected? Please provide us a complete chain of custody for the samples collected?

**Answer 5: The relevant sample was collected by MLGW personnel, assigned a unique identification number, and shipped directly to Electric Power Services, Inc. for analysis. The relevant transformer was included in a shipment to Transformer Decommissioning, LLC on October 25, 2005. See attached Affidavit.**

Question 6: -Records indicate that the spill occurred on September 23, 2005. The sample appears to have been received by the laboratory on September 28, 2005. When and where was a sample collected from the transformer?

**Answer 6: The sample was collected from the transformer at the MLGW Central Shops Transformer Department, on September 26, 2005. See attached Affidavit.**

Question 7: -Your letter dated January 30, 2006, stated that the cause of the leak was pin hole leak due to rust. Please explain how the leaking fluid entered the car and to the floor mat?

**Answer 7: MLGW has no knowledge regarding whether or how any fluid may have entered the referenced car.**



Please print or type. (Form designed for use on elite (12-pitch) typewriter.)

Form Approved. OMB No. 2050-0036.

UNIFORM HAZARDOUS WASTE MANIFEST		1. Generator's US EPA ID No. T.N.D.9.8.0.6.0.1.8.3.5	Manifest Document No. 5.1.8.7.6	2. Page 1 of 1	Information in the shaded areas is not required by Federal law.
3. Generator's Name and Mailing Address MEMPHIS LIGHT, GAS & WATER DIV 220 SOUTH MAIN STREET MEMPHIS, TN 38101-0430 901 528-4423 Ext: 0 Cht: MONICA DARBY		6. US EPA ID Number A.I.D.0.6.7.1.3.8.8.9		A. State Manifest Document Number	
4. Generator's Phone (901) 528-4423 Ext: 0		7. Transporter 1 Company Name ROBBIE D. WOOD, INC.		B. State Generator's ID	
5. Transporter 1 Company Name		8. US EPA ID Number		C. State Transporter's ID	
7. Transporter 2 Company Name		9. Designated Facility Name and Site Address TRANS-CYCLE INDUSTRIES, INC. P.O. BOX 765 101 PARKWAY EAST PELL CITY, AL 35125-0765		D. Transporter's Phone	
9. Designated Facility Name and Site Address		10. US EPA ID Number		E. State Transporter's ID	
11. US DOT Description (Including Proper Shipping Name, Hazard Class and ID Number)		12. Containers		13. Total Quantity	
a. RA, POLYCHLORINATED BIPHENYLS, LIQUID, 9; UN2315, PGIII		No. Type		14. Unit Wt/Vol	
b.		1 I T		1 7 0 4 5 K	
c.					
d.					
15. Special Handling Instructions and Additional Information Pickup Location: 703 BEALE STREET Emergency Response Guide #171 MEMPHIS, TN 38103- 24H EMERGENCY CONTACT: BRUCE VETRO		Contact: MONICA DARBY Pickup Ph: 901 528-4423 @ 800 626-9997			
16. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations. If I am a large quantity generator, I certify that I have a program in place to reduce the volume and toxicity of waste generated to the degree I have determined to be economically practicable and that I have selected the practicable method of treatment, storage, or disposal currently available to me which minimizes the present and future threat to human health and the environment; OR, if I am a small quantity generator, I have made a good faith effort to minimize my waste generation and select the best waste management method that is available to me and that I can afford.					
Printed/Typed Name JUANITA FORD		Signature		Month Day Year 11/20/10 10/5	
17. Transporter 1 Acknowledgement of Receipt of Materials Printed/Typed Name JUANITA FORD James E. Saxon		Signature		Month Day Year 11/20/10 10/5	
18. Transporter 2 Acknowledgement of Receipt of Materials Printed/Typed Name		Signature		Month Day Year	
19. Discrepancy Indication Space					
20. Facility Owner or Operator: Certification of receipt of hazardous materials covered by this manifest except as noted in item 19. Printed/Typed Name STANLEY HEAD					
Signature		Month Day Year 1/21/2015			



01/10/2006 00:25 9015284991

LEGAL SERVICES

PAGE 06/21

TCI INC - Detail Pickup List of Items  
Addendum to Load Number 251876  
Addendum to Manifest Doc 51876

Date: 12/07/05

Page: 1

Generator: MEMPHIS LIGHT, GAS & WATER DIV

US EPA ID: TND980601835

Item Nbr	Gen Ref Nbr	Serial Nbr	Type	Size	PCB PPM	Removed From Service For Disposal	Qty	Gallons	Wt LBS
001		TANKER	LIQUID	0	500	12/09/05	1	5363 5000	40220 37500
TOTALS:							1	5000	37500
DDT Code: 02PCBL TCI Code: PLLTT PCB FLUID >499 PPM PCBs								5363	40220

Appointment Time:

Arrival Time:

Loading Complete Time:

Driver Signature:

Date:

Generator Signature:

Date:



Please print or type. (Form designed for use on 12-pitch typewriter.)

Form Approved, OMB No. 2060-0038

UNIFORM HAZARDOUS WASTE MANIFEST		1. Generator's US EPA ID No.	Manifest Document No.	2. Page 1 of 1	Information in the shaded areas is not required by Federal law.	
3. Generator's Name and Mailing Address		T.N.D. 9.8.0.6.0.1.8.3.5		A. State Manifest Document Number		
P.O. BOX 430 MEMPHIS LIGHT, GAS & WATER DIV 220 SOUTH MAIN STREET MEMPHIS, TN 38101-0430		5.1.8.7.7		B. State Generator ID		
4. Generator's Phone (901) 528-4423 Ext: 0		DARBY		C. State Transporter ID		
5. Transporter 1 Company Name		8. US EPA ID Number		D. Transporter Phone		
ROBBIE D. WOOD, INC.		A.1.D.0.6.7.1.2.8.8.1		E. State Transporter ID		
7. Transporter 2 Company Name		8. US EPA ID Number		F. Transporter Phone		
9. Designated Facility Name and Site Address		10. US EPA ID Number		G. State Facility ID		
TRANS-CYCLE INDUSTRIES, INC. P.O. BOX 765 101 PARKWAY EAST PELL CITY, AL 35125-0765		A.1.D.8.8.3.1.4.7.0.8.1		H. Facility Phone		
11. US DOT Description (Including Proper Shipping Name, Hazard Class and ID Number)		12. Containers		13. Total Quantity		14. Unit Wt/Vol
a. RQ. POLYCHLORINATED BIPHENYLS, LIQUID, 9, UN2315, PGIII		No. Type		1 7 0 4 5		K
b.						
c.						
d.						
15. Special Handling Instructions and Additional Information		16. Generator's Certification: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations.				
Pickup Location: 703 BEALE STREET Emergency Response Guide #171 MEMPHIS, TN 38103- 24H EMERGENCY CONTACT: BRUCE VETRO		Contact: MONICA DARBY Pickup Ph: 901 528-4423 800 626-9997				
17. Transporter 1 Acknowledgement of Receipt of Materials		18. Transporter 2 Acknowledgement of Receipt of Materials				
Printed/Typed Name		Signature		Month Day Year		
JUANITA C. FORD		[Signature]		11/2/09		015
Printed/Typed Name		Signature		Month Day Year		
JUANITA C. FORD Charles Edgeworth		[Signature]		11/2/09		015
Printed/Typed Name		Signature		Month Day Year		
STANLEY HEAD		[Signature]		11/2/12		015
19. Discrepancy Indication Space						
20. Facility Owner or Operator: Certification of receipt of hazardous materials covered by this manifest except as noted in item 19.						
Printed/Typed Name		Signature		Month Day Year		
STANLEY HEAD		[Signature]		11/2/12		015





FORM 12

TCI INC - Detail Pickup List of Items  
Addendum to Load Number 251877  
Addendum to Manifest Doc 51877

Date: 12/07/05

Page: 1

Generator: MEMPHIS LIGHT, GAS &amp; WATER DIV

US EPA ID: TND980601835

Item Nbr	Gen Ref Nbr	Serial Nbr	Type	Size	PCB PPM	Removed From Service For Disposal	Qty	Gallons	Wt LBS
001		TANKER	LIQUID	0	500	12/09/05	1	4731 5000	33480 37500
TOTALS:							1	5000	37500
DOT Code: 02PCBL TCI Code: PLLTT PCB FLUID >499 PPM PCBs								4731	33480

Appointment Time:

Arrival Time:

Loading Complete Time:

Driver Signature:

Date:

Generator Signature:

Date:



**STATE OF TENNESSEE)**

**COUNTY OF SHELBY**

---

**AFFIDAVIT OF PHILLIP CLARK**

---

I, Phillip Clark, having first been duly sworn, do hereby state upon personal knowledge the following:

1. I am over 18 years of age and competent to submit this Affidavit.

2. I am employed by the Memphis Gas Light & Water Division ("MLGW"), as the Foreman of its Distribution Transformer Shop. In that capacity, my duties include sampling the contents of transformers that are brought to the Distribution Transformer Shop from various locations in the MLGW electric distribution system, shipping transformers for disposal, and tracking associated manifests and other paperwork.

3. At approximately 1:30 p.m on Monday, September 26, 2005, I collected a sample of oil from a transformer with serial number 3041864. I collected the sample at the MLGW Central Shops Transformer Department, located at 703 Beale Street in Memphis. I collected the sample in a clear 6-ml glass vial, assigned it identification number 794, and placed it in a box along with twenty-four other oil samples (see packing list attached as Exhibit A). The box of samples was shipped via UPS on September 27, 2005 to Electric Power Services in Bowling Green, Kentucky for analysis.

4. On September 30, 2005, I received by electronic mail a copy of the laboratory analysis report for transformer 3041864 from Electric Power Services. The report indicated that the sample that was its subject was analyzed on September 28, 2005, and had a PCB concentration of 8 ppm. See report attached as Exhibit B.

5. Based on my experience with the sample identification process, the materials and personnel involved in this process, it is my belief



that the analytical results provided by Electric Power Services are indeed derived from analysis of the sample taken from transformer 3041864.


6. After collecting the sample, I supervised the preparation transformer 3041864 for shipping by draining the remaining oil into a used oil storage tank located at the Central Shops Transformer Department. The transformer, after draining, was shipped to Transformer Decommissioning, Inc. in Nabb, Indiana on October 25, 2005.

7. I later received a Certificate of Destruction/Recycle from Transformer Decommissioning, Inc. dated November 17, 2005. That Certificate of Destruction/Recycle indicated a disposal date of October 27, 2005 for transformer 3041864. See the Certificate of Destruction/Recycle attached as Exhibit C.

Further affiant saith not.

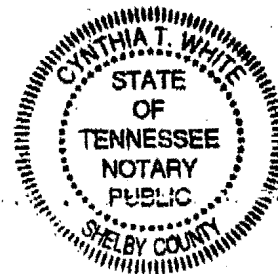
  
Phillip Clark

Sworn to and subscribed before  
Me this 25<sup>th</sup> day of March, 2006.

  
Notary Public

MY COMMISSION EXPIRES:  
July 14, 2009

My Commission Expires: \_\_\_\_\_





## Exhibit A



# OIL SAMPLE LOG

## TRANSFORMER DECOMMISSIONING, LLC

From: Memphis Light, Gas and Water  
703 Beale St.  
Memphis, TN 38103

To: Electric Power Services  
955 Fairview Ave. Suite 200  
Bowling Green, KY 42101

Contact: Phillip Clark  
Phone: (901)577-2084  
Fax: (901)577-2039  
E-mail: [pclark@mlgw.org](mailto:pclark@mlgw.org)

Attn: Jimmy Johnson

BOX  
BAG# 1

Date 9/27/05

KVA	MFG	SERIAL NUMBER	COMPANY NUMBER	SAMPLE #	PPM RESULT
5	GE	B808850	G 4412	785	
25	RTE	703026277	K 12030	786	
100	WEST	<del>703026277</del> 78JK828010	P 6396	787	
50	Dow	74D551407	M 18314	788	
25	Wag	5J48232	K 5490	789	
50	Dow	73D348022	M 16027	790	
25	GE	C552187	K 6338	791	
50	WAG	73283536	M16346	792	
50	ABC	72F66136	M14921	793	
50	AC	3041864	m1634	794	
75	GE	L188273T73A	L188273T73A	795	
75	GE	L188274T73A	L188274T73A	796	
75	RTE	736005730	N 3427	797	







## **Exhibit B**





POWER

955 Fairview Avenue, Suite 200  
Bowling Green, KY 42101  
PH: 270/846-377 Fax: 270-846-0910

CUSTOMER: Transformer Decommissioning LLC

Date: 9/28/05

LOCATION: Memphis Light, Gas and Water

Job #: 50468

EPSI #	Serial No.	Company Number	KVA	MFG	PCB PPM
785	B808850	G4412	5	GE	95
786	703026277	K12030	25	RTE	<1
787	78JK828010	P6396	100	WEST	<1
788	74D551407	M18314	50	DOW	1
789	6J48232	K5490	25	WAG	<1
790	73D348022	M16027	50	DOW	<1
791	C552187	K6338	25	GE	61
792	73283538	M16346	50	WAG	<1
793	72F66136	M14921	50	ABC	<1
794	3041864	M1634	50	AC	8
795	L188273T73A	L188273T73A	75	GE	<1
796	L188274T73A	L188274T73A	75	GE	<1
797	736005730	N3427	75	RTE	<1
798	J929681T71A	N1272	75	GE	<1
799	79B896133	Q720	150	WEST	<1
800	1711907-7	N1287	75	CENT	<1
801	74471428	N3749	75	WAG	<1
802	1737516-8	Q372	150	CENT	<1
803	80JG259285	CJ72	1500	WEST	<1
804	72012608	Q279	150	WAG	<1
805	2-55275	YY68	1000	KUHL	<1
806	C-44025-1-2	CL45	3000	McED	<1
807	781084108	I8202	10	RTE	<1
808	16PXA17178	16PXA17178	1	WEST	<1
809	7PXA17673	7PXA17673	1	WEST	<1

SENIOR CHEMIST/LAB MANAGER \_\_\_\_\_

DATE: \_\_\_\_\_



## Exhibit C





## Transformer Decommissioning Inc.

### Certificate of Destruction/Recycle

November 17, 2005

Memphis Light, Gas, & Water  
Attn: Phillip Clark  
703 Bale ST  
Memphis, TN

Dear Phillip,

Attached is your official Certificate of Destruction/Recycle for the items that have recently been processed. These items have tested less than 50 PPM. Any items testing over 50 PPM will be sent to a separate disposal facility. Once we receive notification that those units have been processed, we will forward a certificate of disposal to you.

Should you have any questions regarding your Certificate of Disposal, please contact me at (812) 293-4820.

Sincerely,  
Transformer Decommissioning

Rebecca S Sherrell  
Contract Administrator



Transformer Decommissioning LLC 8202

7755 East 89th Street  
Indianapolis, IN 46256  
EPA ID # -INW100000066

This Document is the OFFICIAL CERTIFICATE OF DESTRUCTION for units  
having less than 50 PPM

By Transformer Decommissioning, Material Recovery Operations.

Under civil and criminal penalties of law for the making or submission of false or fraudulent statements or representations (18 U.S.C. 1001 and 15 U.S.C.2615), I certify that the information contained in or accompanying this document is true, accurate, and complete. As to the identified section(s) of this document for which I cannot personally verify truth and accuracy, I certify as the company official having supervisory responsibility for the persons who, acting under my direct instruction, made the verification that this information is true, accurate, and complete.

The Transformer Decommissioning Disposition Statement is a Summary of units processed under:

412-C355-01

Units less than 50 PPM.....	67
Units 50 - 499 PPM.....	4
Units greater than 499 PPM.....	0
Total Units Received.....	71

This report was

Audited by Rebecca S Sherrell

Date: November 17, 2005

Approved by MGR

Date: November 17, 2005

Transformer Decommissioning LLC. Phone: 317-577-8930 Fax: 317-577-9304

Cust ID - Site/Seq an Internal tracking no.  
Weight - Includes Liquid  
Gallons - Actual oil as Pumped  
Oil Des - Description of Oil Destruction Process  
OD - Outside Dechlorination  
IN - Incineration

Oil Man/CD - CD for Manifest No if destroyed off site  
Carcas Des - Description of Carcas Destruction  
SR - Scrap or reuse in whole or part  
RR - Resource Recovery  
Cust Ref No - A special Optional Customer ID No.  
X or L Crate - A special Bushing Disposal



# **Transformer Decommissioning LLC**

3478 W. Marble Hill Rd. Nabb, IN 47147

## **DISPOSITION STATEMENT**

**Number: 412C35501**

**Date: 11/17/2005**

Memphis Light, Gas, & Water

703 Bale ST

Memphis TN

Attention: Phillip Clark

RECEIVING MEMO	LINE	SERIAL NUMBER	MAKE	TYPE	KVA	LBS	PCB PPM	Non-PCB Name Plate	DISPOSAL DATE
412C35501	1	89A28149	COR	P1	50	465		3	10/27/2005
412C35501	2	60K5139	WH	P1	10	185		30	10/27/2005
412C35501	3	407662886	KU	P1	50	500		1	10/27/2005
412C35501	4	19770120	CT	P1	60	533		1	10/27/2005
412C35501	5	E50446	DS	P1	50	519		1	10/27/2005
412C35501	6	74D551043	DZ	P1	50	438		1	10/27/2005
412C35501	7	C59622	KU	P1	37.5	511		1	10/27/2005
412C35501	8	74D555514	DZ	P1	25	301		1	10/27/2005
412C35501	9	B63331	DS	P1	50	472		1	10/27/2005
412C35501	10	89NG217017	MC	P1	25	324		1	10/27/2005
412C35501	11	3332314	AC	P1	50	553		1	10/27/2005
412C35501	12	G50291686Y	GE	P1	50	488		1	10/27/2005
412C35501	13	84AA5752	WH	P1	25	304		1	10/27/2005
412C35501	16	09G2164	WG	P1	25	402		3	10/27/2005
412C35501	16	72D2835	DZ	P1	25	310		1	10/27/2005
412C35501	17	5X18205	WG	P1	50	500		1	10/27/2005
412C35501	18	1478728H0	KU	P1	50	472		1	10/27/2005
412C35501	19	EB122702	LM	P1	37.5	429		1	10/27/2005
412C35501	20	883025869	RT	P1	10	158		1	10/27/2005
412C35501	21	F1038913	CT	P1	10	198		28	10/27/2005
412C35501	22	72012608	WG	PM300	150	3000		1	11/7/2005
412C35501	23	79B896133	WH	PM300	150	3277		1	11/1/2005
412C35501	24	J929699T71A	GE	PM3	75	2100		1	11/1/2005
412C35501	26	72D28730	DZ	P1	25	309		1	10/27/2005
412C35501	26	72232690	WG	P1	50	436		1	10/27/2005
412C35501	27	2039998	MO	P1	50	551		2	10/27/2005
412C35501	28	5W98757	WG	P1	60	461		5	10/27/2005
412C35501	29	F92596965Y	GE	P1	15	205		1	10/27/2005
412C35501	30	F92596765Y	GE	P1	15	207		1	10/27/2005



**Transformer Decommissioning LLC**

3478 W. Marble Hill Rd. Nabb, IN 47147

**DISPOSITION STATEMENT****Number: 412C35501****Date: 11/17/2005**

Memphis Light, Gas, &amp; Water

703 Bale ST

Memphis TN

Attention: Phillip Clark

RECEIVING MEMO	LINE	SERIAL NUMBER	MAKE	TYPE	KVA	LBS	PCB PPM	Non-PCB Name Plate	DISPOSAL DATE
412C35501	31	F92598888	GE	P1	15	205		1	10/27/2005
412C35501	32	71112806	WG	P100	100	848		1	10/27/2005
412C35501	33	E61331	DS	P1	50	500		1	10/27/2005
412C35501	34	2038568	MO	P1	15	233		2	10/27/2005
412C35501	35	C10317	DS	P1	100	862		1	10/27/2005
412C35501	36	79D1812261	DZ	P1	50	477		1	10/27/2005
412C35501	37	4630745882	KU	P1	50	519		1	10/27/2005
412C35501	38	1341229	MO	P1	50	619		5	10/27/2005
412C35501	39	71102523	WG	P1	50	751		1	10/27/2005
412C35501	40	703026277	RT	P1	25	303		1	10/27/2005
412C35501	41	3041864	AC	P1	50	612		8	10/27/2005
412C35501	43	F25J3617	LM	P1	10	182		1	10/31/2005
412C35501	44	72D347117	DZ	P1	50	445		1	10/27/2005
412C35501	45	67M15257	CM	P1	50	475		21	10/27/2005
412C35501	46	72082720	WG	P100	100	810		1	10/27/2005
412C35501	47	22Q5135	MO	P1	50	583		12	10/27/2005
412C35501	48	74D726144	SOLO	P100	100	718		1	10/27/2005
412C35501	49	781084106	RT	P1	10	182		1	10/27/2005
412C35501	51	72061964	WG	P1	50	436		1	10/27/2005
412C35501	52	74D551407	SOLO	P1	50	439		1	10/27/2005
412C35501	53	HG11730	ME	P1	25	371		1	10/27/2005
412C35501	54	2326315	AG	P1	15	297		1	10/27/2005
412C35501	55	741016333	RT	P1	50	448		1	10/27/2005
412C35501	57	5J48292	WG	P1	25	385		1	10/27/2005
412C35501	58	73D348022	DZ	P1	50	440		1	10/27/2005
412C35501	59	74D725347	SOLO	P1	25	302		1	10/27/2005
412C35501	60	74D725730	SOLO	P1	25	292		1	10/27/2005
412C35501	61	K5H1849	WG	P1	37.5	588		1	10/31/2005
412C35501	62	1751704	MO	P1	75	1415		2	10/27/2005



# **Transformer Decommissioning LLC**

3478 W. Marble Hill Rd. Nabb, IN 47147

## **DISPOSITION STATEMENT**

**Number: 412C35501**

**Date: 11/17/2005**

Memphis Light, Gas, & Water

703 Bale ST

Memphis TN

Attention: Phillip Clark

RECEIVING MEMO	LINE	SERIAL NUMBER	MAKE	TYPE	KVA	LBS	PCB PPM	Non-PCB Name Plate	DISPOSAL DATE
412C35501	63	1415868	KU	URD	75	1014		1	10/27/2005
412C35501	64	3095801164	KU	URD	50	740		1	10/27/2005
412C35501	65	1385731	KU	URD	75	980		1	10/27/2005
412C35501	66	17343274	CM	URD	75	975		1	10/27/2005
412C35501	67	408171009	KU	URD	50	800		1	10/27/2005
412C35501	68	172127414	CM	URD	50	749		1	10/27/2005
412C35501	69	4700684600	HI	PM1	50	338		1	10/28/2005
412C35501	70	7PXA17673	WH	P1	1	80		1	10/27/2005
412C35501	71	16PXA17178	WH	P1	1	85		1	10/27/2005

**INVOICE TOTALS:**

**ITEMS: 67**

**KVA: 3089.5**

**WEIGHT/LBS: 39032**

